

Minister of Foreign Affairs

Rt Hon. David Miliband MP Secretary of State Foreign & Commonwealth Office London

November 9, 2009

Dear Dand!

With less that 30 days before the Copenhagen summit opens, Norway is increasingly seeking to exert political pressure to ensure a comprehensive result and a binding political agreement. The stakes are high. We must do our utmost to make Copenhagen a climate milestone.

One of the inherent dangers of climate change is that it is happening too slowly for people to realise the lethal threat it represents. A frog thrown into hot water will quickly jump out again and save its life. But if you put the same frog into lukewarm water and heat it gradually to boiling point, it will not be aware of what is happening and will die.

We politicians must somehow find a way of making our people realise what a catastrophic future awaits our children and grandchildren if we fail to act today. This is an immense task. We must transform the analyses of thousands of scientists into readily accessible information that brings about understanding, political pressure and willingness to change our way of living.

Your new climate map has received a lot of attention – in the Norwegian press too. It has been pinned on the wall in a number of offices in various Norwegian ministries. It gives an excellent illustration of the real danger people in all parts of the world will face unless a global regime for significantly reducing global greenhouse gas emissions is established. We welcome the initiative of the British Embassy in Oslo to translate the map into Norwegian. Reducing emissions nationally is a great challenge for Norwegians too, and deeper understanding will increase the pressure exerted as well as tolerance for urgent measures.

Norway has a very favourable energy mix. About 60% of our energy use is already from renewable energy. This is three times higher than the EU's goal for 2020. Nevertheless, we have clear ambitions for cutting emissions both globally and nationally.

First, Norway will strengthen its Kyoto I commitment (2008–2012) by 10 percentage points (9% below the 1990 level).

Furthermore, we will reduce global greenhouse gas emissions by the equivalent of 30% of our 1990 emissions by 2020. Reductions amounting to 15–17 million tonnes of CO₂ equivalents will be made nationally. This is a tough call given our high share of renewables. Provided that major emitting parties agree in Copenhagen on emission reductions that are in line with the two-degree goal, Norway is prepared to reduce global emissions by the equivalent of 40% of our 1990 level by 2020.

Finally, in the long term we have pledged to become carbon neutral by 2050. If a truly ambitious global international climate agreement is reached, we will aim to achieve this by 2030.

Developed countries have to take the moral responsibility and the lead to encourage developing countries to deviate substantially from their emission baselines. If we don't act swiftly and ambitiously, neither will they. In announcing these goals, and – more importantly – delivering on them, we hope that we are sending a strong political signal that we are taking our responsibility seriously.

Norway's chief climate negotiator has also been appointed as a government minister. The negotiation team she leads is working hard alongside the UK's and other countries' teams to bring us closer to a global agreement. Norway gives priority to certain key areas where we hope that our contribution will have an impact:

(I) <u>Reducing emissions from deforestation and forest degradation (REDD)</u>

Norway is implementing its comprehensive International Climate and Forest Initiative in cooperation with partners. We believe that the post-2012 regime should include a new mechanism for measurable and verifiable reductions in emissions from deforestation. Over the next decade or so, no other single measure has anything like the potential of REDD for global mitigation, *if we get it right*. Norway has pledged to increase its support for these efforts to about EUR 330 million a year. We are well on our way, but not there quite yet.

(II) Financing

Norway has proposed that a share of the emission allowances we hope will be issued under the Copenhagen regime should be auctioned internationally. This will generate additional funds independent of national budgetary decisions. For example, auctioning 2% of these allowances could provide an annual income of USD 20–30 billion

(depending on the tightness of the new regime). This estimate is based on the assumption that all developed countries take on quantified economy-wide commitments corresponding to the IPCC's lowest emission scenarios, including the two-degree increase scenario.

(III) Emissions from international shipping

Norway has also proposed that emissions from international shipping should be included in the new Copenhagen regime, and that an emissions target should be set for this sector. We urge the International Maritime Organization (IMO) to develop a capand-trade regime with this in view.

(IV) Climate change in the Arctic

Due to our geographical proximity and long-standing research efforts, Norway is among the foremost providers of scientific findings on the dramatic and escalating climate change in the High North. In a global perspective, the Arctic is playing the role of the canary in the coalmine. Norway will – in close collaboration with fellow Arctic nations – shoulder our special responsibility to show the rest of the world what is happening in the High North, where climate change is taking place twice as fast as the global average.

(V) <u>Carbon capture and storage (CCS)</u>

The summit in Copenhagen this December will be a golden opportunity to pave the way for CCS in the Clean Development Mechanism. In addition, Norway has proposed that a separate mechanism for *storage* of CO₂ should be established under the new regime as an option for mitigation actions in developing countries. Such a mechanism would stimulate significant mitigation action in the short term, especially by addressing industrial emission sources that can be regarded as "low-hanging fruit". If the world is serious about the two-degree goal, CCS is imperative. In our opinion it will be impossible to meet this goal without global deployment of CCS as fast as possible. In particular, we *must* prevent the construction of a whole new generation of dirty, coal-fired power plants that will lock developing countries and emerging economies into this technology.

Norway has a responsibility to continue to be a *reliable* energy producer. We must also help to secure a *sustainable* future energy supply. Reducing emissions from the use of coal, oil and gas, as well as from heavy industry, is vital in this respect. Therefore, Norway is investing more than USD 1 billion in carbon capture and storage nationally in 2009–2010. In addition, Norway supports dissemination and deployment of CCS abroad:

- Norway will contribute through our partnership in the European Economic Area, and we have proposed funding of EUR 140 million over a period of five years to support CCS projects in selected EU Member States.
- Norway has announced funding of approximately USD 6 million to the World Bank's new CCS Capacity Building Trust Fund, which should be formally established before COP15.

Norway will also provide around USD 900 000 for the CSLF capacity building programme.

I believe that the UK and Norway can combine our diplomatic resources to improve the political climate so that it is easier to promote good mitigation solutions and reach an ambitious, comprehensive and binding political agreement in Copenhagen. Our strategic diplomatic efforts should be intensified to ensure the best possible result in December.

Best regards - and warn petry !

Jonas Gani Store