



**Seventh Australia-New Zealand Climate Change and Business Conference
Wellington, 1-2 August 2011**

**Recorded address by Christiana Figueres, Executive Secretary
United Nations Framework Convention on Climate Change**

Hello, and thank you for asking me to address your meeting.

I regret that I can't be in Wellington with you, particularly at this important point in the development of climate policy for both Australia and New Zealand.

Of course, I'm referring to the proposed launch of Australia's plan to tax and cap carbon and an eventual link to New Zealand's carbon market.

I recognize that introducing the Australian and New Zealand carbon policies have required foresight and courage and that there have been serious economic concerns to address on the way.

Both governments have been careful to protect the most exposed industries and vulnerable parts of the population from hardship, and there is still work to do to bring everyone on board.

I hope that Australia and New Zealand's leadership can now bear further fruit at the national, regional and international level.

The practical experience that New Zealand has gained from running an expanded carbon market has made it a model for Australia, but also a beacon for other major economies such as Japan, China and South Korea, which are considering or enacting carbon trading and are looking on with interest.

Also, not only does Australia's proposed plan fit well with what is happening in many key economies of the world, but the linking of carbon trading schemes within and between regions of the world can also further reduce mitigation costs .

In terms of the UN climate change negotiating process, Australia and New Zealand have played, and will continue to play an important role.

The Cancun Agreements, supported by both your countries, provide the strongest signal the international community has ever given to the private sector that the world is moving together toward low-carbon economies.

In Cancun, countries of the world committed to a maximum temperature rise of 2 degrees, and consideration of a maximum of 1.5 degrees in the near future.

Additionally, all industrialized countries and more than 40 developing countries have submitted official emission reduction targets and actions.

The Cancun Agreements also include the most comprehensive package ever agreed by governments to help developing nations deal with climate change, including new institutions to boost technology cooperation, financing and adaptation.

At the next UN climate change conference in Durban, South Africa, much of the focus will be on finalizing and adopting the institution-building arrangements launched in Cancun.

However, in the big picture of global climate change, the international response is still lacking in the critical area.

The sum total of official emission reduction pledges from all countries so far amounts to only around 60 percent of what is needed to limit the temperature increase to 2 degrees Celsius.

Every effort now needs to be made to find a realistic way to increase the level of ambition to close that 40 percent gap.

The Cancun Agreements also do not yet provide full clarity on the future global mitigation framework. Its contours are becoming clearer, but Durban needs to answer the key question over the future of the Kyoto Protocol.

Many countries want the Protocol to continue. Some are not willing to continue with it, at least not in its current form.

However, there is an emerging consensus that those elements of the Protocol which ensure predictability and compliance of action, which offer nations flexible mechanisms to act, and which enshrine the founding principle of common but differentiated responsibilities, should continue to be upheld and be integrated into future mitigation agreements.

In Durban, governments need to converge around this consensus.

Their aim is to make further progress on a global mitigation framework and decide how to bridge a possible gap between the first and a second commitment period under the Kyoto Protocol.

For this, we need continued high-level political engagement through the rest of this year to guide the negotiations.

Specifically, we need middle ground solutions and options which are acceptable to all sides, and that is where you come in.

Given policy development in your countries, what middle ground solutions would work for you? Not least, what will work best for the private sector?

The negotiating process needs to know, and leadership at the higher level needs to know in order to be confident that workable solutions are not only available, but are strongly supported by business.

What started as a growing recognition among climate aware groups such as yourselves is becoming a centre stage concern.

There is an increasing recognition that with the appropriate plans, countries can reap the clear benefits that a transition towards clean technologies will increasingly bring.

There is a growing understanding in the private sector that early comers will take the new economic opportunities that clean energy offers.

I believe that Australia and New Zealand's climate policies are positioning their people and their businesses for a more sustainable and secure economic future.

Push on with these policies. Build this firmer foundation.

Bring your achievements, your experience, your guidance to the UN climate change negotiations, with an even stronger hand than before.

Thank you.
