

SPEAKING NOTES

Session I: Recent Environmental Trends and Projections for the Coming Decades: the OECD Environmental Outlook to 2030.

Intervention of Ms Hilde Crevits, Flemish Minister for Energy, Environment and Nature

Dear Colleagues,

As Flemish Minister for Energy, Environment and Nature, I consider it an honour to address this forum on behalf of Belgium.

First of all, I would like to congratulate the OECD on the drafting of the 'Environmental Outlook to 2030'. Climate change, biodiversity loss, water scarcity and the health impacts of pollution are indeed key challenges. In each of these cases, it is necessary to develop a good insight into the costs of policy inaction versus the costs of policy action. In this respect, the OECD has its own niche, as an international institution which uses cost-benefit analyses as the basis for its activities.

At the same time, this insight into the 'costs of inaction' does not entirely suffice. In fact, the distribution of the 'costs of action' is often considered unfair by the parties involved, even when the global balance of that policy is positive for society. It is therefore important for the OECD to commit to integrating this distributive dimension in the new Environmental Strategy, in order to make the link between the costs of action and the costs of inaction.

To conclude I would like to mention that Flanders has adopted a number of innovative approaches to the aforementioned challenges in the Environmental Outlook to 2030. Through its biomonitoring programme, for instance, Flanders plays a pioneering role in developing a policy for health problems related to pollution. Of an entirely different order, but not less innovative is the programme for restoring the natural character of the Scheldt river estuary, which yields a triple win between accessibility, safety and naturalness.

These examples also illustrate that the active involvement of sub-national and local authorities will be of paramount importance in tackling the global environmental challenges. For this reason, the role of the sub-national and local authorities will have to be taken into account in the drafting of the Environmental Strategy for the Second Decade of the 21st Century.

SPEAKING NOTES

Session II: Environmental Co-operation between OECD Countries and Emerging Economies

Intervention of Ms Hilde Crevits, Flemish Minister for Energy, Environment and Nature

Dear Colleagues,

Belgium lends its support to the cooperation with non-OECD countries through the Enlargement and Enhanced Engagement Programmes. The OECD may provide a framework for working together with these countries from a particular angle on environmental issues and environmental cooperation. Given the cross-border character of environmental challenges, the development of a clear strategy for dialogue and co-operation with emerging economies is a key challenge for the 21st century.

The conclusions of the OECD Environmental Outlook to 2030 constitute a solid basis for determining the environmental issues for cooperation. Climate challenge is therefore most definitely an interesting theme to work on. Another important theme is the work on the movement of waste within the framework of the Basel Convention, in which the OECD plays an important role. Thirdly, cooperation with these countries in the field of biodiversity would allow better support and especially mainstreaming and integration of the multilateral policies that the Convention on Biological Diversity is developing on many issues. Fourthly, the OECD has the required expertise in terms of chemicals. We are therefore pleased that after UNEP, the OECD endorses the Strategic Approach to International Chemicals Management (SAICM) as well.

The Environmental Performance Review (EPR) of China was a major first step towards gaining better and valuable insights. The active participation of Flemish experts already indicated that Belgium fully supports this process.

In the field of climate change, cooperation with emerging economies is critical to the development of a long-term international climate change regime. OECD work in this context should aim at informing the international negotiations in the context of the Bali Roadmap, inter alia on issues such as finding practical interpretations of the principle of 'Common but Differentiated Responsibilities', and how to improve the transfer of environmentally friendly technologies to developing countries.

Finally, as EU Member State, Belgium wants to welcome the accession of Slovenia and Estonia. It hopes that other EU Member States that are currently not yet members of the OECD will be offered membership by the OECD in the future.

Session III: Competitiveness, Eco-innovation and Climate change

Intervention of Ms Evelyne Huytebroeck, Minister for Environment, Energy and Water Policy of the Government of the Brussels-Capital Region

Dear Colleagues,

The fight against climate change and the evolution towards a low energy consuming society offer huge economic opportunities. National governments have a crucial role to play in accelerating the transition to this new kind of development and in offering the most appropriate framework within economic stakeholders shall benefit as fully as possible from this evolution.

We all know that the private sector urgently needs a clear overall framework and long-term perspectives in order to make the best investments and to avoid, at the same time, distortions of competition in a more and more globalised economy. The ideal answer is of course the **post 2012 multilateral agreement** that will replace the current regime resulting from the Climate Change Convention and the Kyoto Protocol. Climate change and the need to make economic investments to prevent it, ask for urgent measures and therefore, it is absolutely necessary that this instrument, based on the pillars of the Bali Conference, should be adopted by COP15 in Copenhagen in 2009.

In this respect, Belgium recalls that the European Union has committed itself to reduce greenhouse gas emissions by 30% by 2020 within the perspective of an international agreement. The European Union is presently preparing a so-called « **energy and climate change packet** » that will allow to meet this objective. Belgium strongly supports these measures creating a European framework for investments in terms of CO2 emission reductions, energy efficiency and eco-innovation.

As regards carbon leakage and the related risks for the competitiveness of companies and the fight against climate change, one of the better solutions consists of extending and strengthening the **global carbon market** as implemented by the Kyoto Protocol. Yet, if this post-2012 regime does not provide for an appropriate framework to prevent greenhouse gas emissions from relocating, compensatory measures will then have to be considered.

Finally, as far as the development, deployment and transfer of technologies are concerned, Belgium strongly recommends a “**push and pull**” approach. So far, our countries have particularly favoured

the “push” approach by granting subsidies to e.g. research and development activities. However, if we really want technologies to enter our markets, this approach must be mixed with “pull” measures which create favourable market conditions for sustainable technologies by means of regulatory, economic and financial measures, and consequently “pull” these technologies towards the markets.

This reasoning also applies to the transfer of technologies to developing countries by on the one hand providing direct financing and executing technology transfers, and on the other hand creating favourable conditions for transferring “clean” technologies, in particular through extending the global carbon market and improving the capacity of these countries to welcome investments from the private sector among others. In this matter also, the United Nations Framework Convention on Climate Change and the Kyoto Protocol offer the appropriate international framework to implement this approach.

I thank you for your attention.

SPEAKING NOTE

Session IV: Working Lunch: Strengthening international cooperation with the purpose of ambitious policies in the field of climate change

Intervention of M. Paul Marnette, Federal Minister for Climate and Energy

- Climate change is no longer an issue exclusively in the field of environmental policy. First of all, it has implications for all sectors of the economy and, secondly, it requires all actors in our society to take the right part of their responsibilities. This is why the goals of climate change policies should be implemented comprehensively in other political fields in order to put our societies on the way to a low-carbon and sustainable future. In Belgium, this issue is tackled seriously through innovating participative processes involving all institutional actors as well as the whole civil society, whether on federal and national level or regional. Those processes will contribute to a stronger and more legitimate consent to the actions that need to be carried out.
- Energy –sometimes luckily in charge of a Minister for Environment like myself –, along with transport, industry, agriculture, development cooperation, research, etc. are fields where action is urgently needed. Financial and economic policies have a highly critical role to play, not only because climate change, if uncontrolled, would have a catastrophic impact on world economy and on our national budgets, but also because economic and financial instruments are among the most powerful and efficient tools at our disposal and finally, and this argument is not the weakest one, because realigning our policies in the direction of a low-carbon, sustainable future creates huge opportunities for economic growth and high quality employment.
- Regarding OECD's role in building climate change policy structure beyond 2012, I would like to recall that during the UN Bali Conference on Climate Change last year, we have already reached a global agreement about the headings of the future international regulation frame relating to climate change. One of those four headings of the Bali Action Plan is to promote actions aiming at providing developing countries with financial resources and investments for mitigation, adaptation and technological cooperation.

- This is a major challenge and it is our responsibility, as industrialized countries, to fulfill our present and future commitments by preparing additional measures and increasing public funding but, most of all, by redirecting financial flows from the private sector towards sustainable investments such as ecological and sustainable technologies and processes.
- We are convinced that carbon markets can play a dominating role in mobilizing finance for choices on investments and energy which take climate and sustainability into account, especially with regard to private funding and major investments flows from the most concerned sectors.
- We should also consider other initiatives which can help developing countries to become more attractive to investors and we should examine innovative measures in order to back the costs of adapting to climate change. Belgium thinks that OECD, due to its long-standing experience, expertise and authority in the field of development, can and should provide information for the negotiations under the Bali Road Map, especially regarding matters relating to financing and investment aspects.
- Agreeing or not on the future of the international climate change regime in Copenhagen at the end of 2009 will depend on our capacity as developed nations to show the whole world that we are able to obtain results in terms of financing and investment. The signal to the ministers of Finance and Economy is that they should be aware of the crucial role they will have to play in making a new international agreement on climate change and that consequent action needs to be undertaken. In this respect, a joint meeting between the ministers for Environment, Finance and Economy in a near future would be appropriate.