

Speech by the South Centre

Speech on International Cooperation Forum on Resources and Environment

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The world is facing two crises at the same time, the economic crisis and the crisis of climate change. It is an interesting time for us; and a great challenge for policy makers, the public and the business sector as well.

It is now clear, from scientific studies endorsed by the governments, that the crisis of climate change is real, serious and could threaten our way of life and our life itself. This is already happening, and it will get worse.

Therefore policy makers, business and the public will all have to recognize this threat, identify the causes and find solutions, as quickly as possible. This has to be done at the national level. We are pleased to note that China has already taken major steps in this direction, with the establishment of a Climate Action Plan that contains clear targets for making energy use more efficient and so on. China has also set up institutions such as the Climate Department in the National Development and Reconstruction Commission to formulate and implement climate related actions. It is important that similar plans and institutions be set up at the level of provincial governments. I therefore congratulate the Governor and Provincial Government of Hunan for your initiatives and for organizing this Conference.

For the climate action plans, it is necessary to identify the sources of Greenhouse Gas emissions, and to tackle each of them by reforming the way in which production and consumption is carried out. This is what is meant by going into the path of low carbon emission. At the same time we need to maintain a rate of economic growth and development that will continue to improve the lives and incomes of the people. The challenge therefore is to change the methods of production, the technology we use, and the type of consumption and lifestyle we have, to reduce emissions, while at the same time improve our people's welfare and income.

I believe that this great challenge can be met, but it requires a lot of planning by the policy makers and a lot of adjustments to technology, to financing and to the business model of the companies and the state enterprises. Of course it also needs changes in the behaviour of the consumers and the ordinary people.

For policy makers the challenge is to review the production methods and technologies in every sector – industry, agriculture, land and forests, energy generation, electricity production, transportation, housing and construction, and urban planning and development.

How do we make energy use more efficient in each sector and area, but also use water and other resources more efficiently? Can we use more renewable energy such as solar, wind and biomass, rather than fossil fuels such as coal and oil?

How do we switch from using materials that give rise to Greenhouse Gases like carbon dioxide? Can we phase out the use of chemicals in agriculture, because chemical fertilizers give rise to nitrous oxide which is far more problematic than carbon dioxide, and make a move towards organic farming which has been shown to be the most climate friendly form of agriculture, and also can be productive?

How do we stop or reduce the chopping of the forests? How do we create more “sinks” that absorb carbon dioxide, for example by replanting land and hillsides with trees?

Can we persuade people and even policy makers to base our transport system on public transport like using buses and trains and on bicycles rather than the private motor car? Can we educate the people on how to save energy and reduce activities that emit carbon dioxide in their homes?

To undertake these measures, there has to be a technological change or even a technology revolution as well as a redirection of lifestyles. There also has to be the financing of technology change, and financing for the establishment of institutions and training of people and businesses for the changes required. For example, the government requires funds to change or create new climate friendly infrastructure. Companies that have already bought machines that are polluting may require assistance to make changes to their machines or to switch to new types of machines, because of the extra costs involved.

The UN Convention on Climate Change is now negotiating what different countries should do to contribute to the fight against climate change. An important set of decisions have to be made by December 2009 at the Climate Conference in Copenhagen. The developed countries are trying to get developing countries, or at least some of them like China, to commit to reducing their emissions or at least to slow down the growth of emissions.

However the developing countries are arguing that the developed countries are mainly responsible for the problem since they have been polluting for the past 150 years and that it is not yet time for the developing countries to make binding commitments to reduce their emissions.

The developing countries also want the developed countries to provide funds and to transfer climate friendly technologies to the developing countries to enable them to take actions on climate change. In fact in the Convention, the developed countries had already committed themselves to provide finance and technology needed by the developing countries for them to carry out the reforms needed. However there has been little transfer of finance or technology so far.

It is important that the Copenhagen Conference concludes with concrete plans not only for the developed countries to cut their own emissions deeply but that they provide significant amounts of funds and technology to developing countries.

What the developing countries can do in the meanwhile is to prepare their own climate action plans, with a plan for reform in each sector, and to assess the financing and technology needed in each of these sectors. Part of that financing and technology can be met by mechanisms set up under the UN Convention on Climate Change. In this way, the developed countries can assist the developing countries concretely to combat climate change.

The economic crisis is often seen as a hindrance to the fight against climate change, since the economy may be seen by many people as becoming a bigger problem than the environment. However we can make use of the economic crisis to further our goal of reforms in the direction of a cleaner environment. The economic crisis requires countries to have an increase in government spending, or a "fiscal stimulus." A large part of this expanded budget can be allocated to climate related actions and activities. In this way the two goals of economic recovery and fighting climate change can be met at the same time.

Also, the large amounts spent by the United States and Europe in bailing out their banks and motor car companies have shown to the world that the developed countries can come up with large amounts of funds when there is a need. It is now easier to argue that if climate change is indeed a serious crisis, then the developed countries should allocate large amounts of funds under the UN Climate Convention, to assist developing countries to fight climate change.

The economic crisis is also forcing us to change the way we view the economy and the role of the market. In the past it was thought that the market is self correcting and should be left to itself to function. Today the thinking has changed, so that the state and its policies and actions are seen to be more important. We thus have a policy climate that is conducive for new thinking. Thus it is a good time for rethinking how to re-engineer our global economy and our national economies towards sustainable development in which we can combine development for our people's welfare, with environmentally sound production and consumption patterns.

The South Centre is an intergovernmental organisation comprising 50 member states which are developing countries, including China. The Centre's secretariat is based in Geneva. We have been conducting research and organising meetings on environmental issues such as climate change, as well as development issues such as trade and finance and intellectual property rights. Our Centre is prepared to assist developing countries like China in seeking together for the solutions to both the climate change crisis and the economic crisis. We hope that through this Conference we can deepen our cooperation with China and also with the Provincial Government of Hunan so that we can benefit the people.