

Intervention to the Ad Hoc Working Group on Future Commitments
Bonn, Germany
May 23, 2006

Business Councils for Sustainable Energy, from Australia, Europe,
United Kingdom and the United States

London Climate Change Services

Mr. Chairman, distinguished delegates, thank you for the opportunity to present our views to the Ad Hoc Working Group on Future Commitments.

My name is Lisa Jacobson, I am speaking on behalf of US, UK, European and Australian Business Councils for Sustainable Energy, and London Climate Change Services. The global alliance of business councils represents companies worldwide, with a strong commercial interest in the expansion of sustainable energy markets. London Climate Change Services represents the fast-growing sector driven by global carbon and climate related markets.

Together, our companies are active in reducing their own emissions, deploying and developing sustainable technologies and are active in moving substantial capital into this area.

The Councils support a legally binding multilateral regime to address climate change. As the Ad Hoc Working Group begins its work, we offer the following views to guide your deliberations:

- Adopt a framework for the next phase no later than 2008. It is essential that clear progress be made quickly to provide continuity and build confidence in multilateral efforts to reduce greenhouse gas emissions. This is especially important for investors in carbon markets and clean energy projects -- because pay back periods under the current commitment period will soon be too short to sustain investments.
- Demonstrate commitments to a legally binding pathway of decreasing emissions -- with developed countries taking the lead.
- Establish longer-term commitments to reduce emissions that are consistent with the investment cycle. This will accelerate investment in climate-friendly technologies.
- Make efforts to expand the involvement of developing countries through a variety of approaches to reduce emissions and speed technology transfer.
- Ensure continuity and improvements in the market-based approaches to reduce emissions. Specifically, in its work program, the Ad Hoc Working Group should

include consideration of the Clean Development Mechanism and other market-based mechanisms that enable the achievement of commitments and the deployment of clean technology.

The work of the Ad Hoc Working Group is essential and we look forward to providing constructive input into your deliberations.