

Ad-Hoc Working Group on Kyoto Protocol  
March 30, 2009

**Business Council for Sustainable Energy  
International Council for Sustainable Energy  
Global Wind Energy Council  
Carbon Markets & Investors Association**

Mr. Chairman, Mr. Vice Chair and distinguished delegates, thank you for the opportunity to present our views to the AWG-KP related to emission reduction contributions of Annex I Parties.

My name is Jim Wolf and I am speaking on behalf of the International Council for Sustainable Energy, a coalition of over 750 clean energy companies and business organizations worldwide, and The Global Wind Energy Council and the Carbon Markets & Investors Association.

Collectively, we represent companies and trade associations with billions of dollars in financial capital and investments, and a strong commercial interest in the support and expansion of sustainable energy and energy efficiency markets as well as effective carbon markets that contribute to reductions in greenhouse gas emissions.

Our groups urge delegates to consider the importance of mid-term greenhouse gas emissions reduction targets when establishing the framework of a post-2012 agreement. These reduction commitments will drive investments in existing mitigation technologies such as renewable energy, energy efficiency, and clean power generation. These technologies are important early solutions to the mitigation of climate change and mid-term targets are needed to send the market signals to achieve both 2050 emission reduction goals and the required investment levels.

More specifically, setting mid-term targets will:

- 1) Send a strong signal to markets, technology providers, and investors that will secure, encourage, and expand investments and will drive new capital flows. These market signals must be consistent with investment cycles required to guarantee and finance clean energy projects around the world. As these investment cycles often range over a five to ten year period, it is essential to put decisions and targets in place now.
- 2) Stimulate the near-term deployment of clean energy technologies including renewable energy, which in turn will enable countries to meet near-term reduction goals and lower the cost of compliance over the long-run.

The global wind energy industry continued its significant growth in 2008 and was the leading new power generation technology in both Europe and North America, displacing 150 million tons of carbon dioxide, attracting over 50 billion U.S. dollars in investment, and creating nearly 100,000 new jobs. Aggressive mid-term targets and development of carbon markets will help continue this growth to reach the industry target of 1.5 billion tons per year emissions reductions by 2020, and to assist the spread of the market beyond India, China, Europe and North America.

- 3) Incentivize energy-efficiency measures as one of the most cost-effective ways to mitigate climate change, particularly in the industrial and building sectors. These measures will enable countries to also realize the co-benefits of reducing energy costs, decreasing vulnerability to energy price volatility, and increasing energy security.

In recent years, the momentum and investment in the clean energy industry has increased exponentially. Such forward momentum can and must be maintained despite the current global financial crisis. As policy-makers, your work to design a post-2012 agreement in such a world will not be easy – but we offer this encouragement - a post-Kyoto agreement has the power to play a key role in the world's global economic recovery by creating new markets and jobs around the world – while simultaneously preserving our climate and transitioning our global economy toward a clean-energy, low-carbon future.

Thank you.