

SOROS HAS A PARTIAL SOLUTION

Climate change aid 'not enough'

Copenhagen

THE \$10 BILLION (R75bn) a year proposed by rich nations to help the poor adapt to climate change was "not sufficient" and the gap between what was offered and what was needed could wreck the Copenhagen climate conference, American billionaire George Soros said yesterday.

The investor-philanthropist, one in a line of international notables visiting the 192-nation meeting, told reporters he had developed a partial solution.

Soros suggested shifting some International Monetary Fund resources from providing liquidity to stressed global financial systems to a new mission of financing projects in developing countries for clean energy and adapting to climate change. About \$100bn in a one-time infusion could be generated, said Soros, a major supporter of causes in the developing world.

But he acknowledged a major roadblock in Washington.

"It is possible to substantially increase the amount available to fight global warming in the developing world," he said. "All that is lacking is the political will. Unfortunately the political will will be

difficult to gather because of the fact that it requires congressional approval in the US." Soros said he had "informal discussions" with Obama administration officials and they recognised the difficulty of getting congressional approval. But he said the issue was too important to sweep aside.

"I think it is already becoming apparent in the negotiations that there's a gap between the developed and developing world on this issue which could actually wreck the conference," he said.

The international financier dropped in on the two-week conference on its fourth day, as rich and poor nations pressed on behind closed doors and in open forums to bridge wide differences and reach agreements on how to combat global warming.

They have just a week to deliver something for US President Barack Obama and more than 100 national leaders to sign in the finale of the summit on December 18.

In one key area, delegates are trying to agree on how much industrialised nations should reduce their emissions of carbon dioxide and other

global-warming gases after the 2012 expiration of the 1997 Kyoto Protocol, which covered 37 richer nations. The US had rejected Kyoto.

The second key area involves climate change financing. That involves money for poorer nations to build coastal protection, modify or shift crops threatened by drought, build water supplies and irrigation systems, preserve forests, improve health care to deal with diseases spread by warming, and move from fossil-fuel to low-carbon energy systems, such as solar and wind power.

The World Bank and others project that hundreds of billions of dollars a year in public and private money, will be needed eventually for the climate change shift. Yet industrialised countries thus far are talking only about a quick package - three years of funding at \$10bn a year. Much of that would go towards training and planning.

Developing nations are pressing the US, Europeans, Japanese and others at Copenhagen for more upfront money and for assurances about long-term financing so they can plan



Activists of a US Youth Climate organisation protest outside the UN Climate Change Conference in Copenhagen yesterday. Delegates are still debating the issue of wealthy nations helping to fund developing countries to help them adapt to climate change.

PICTURE: REUTERS

on a stable source for many billions more.

"Financing should be the 'crunch issue' here next week, for the heads of state to deal with," said Alden Meyer of the US Union of Concerned Scientists.

Soros said the \$10bn-a-year short-term plan is "more than nothing, but not much, it's not sufficient".

He suggested that climate financing be boosted with about \$100bn in special drawing rights, the artificial "currency" of the International Monetary Fund, formulated as a basket of major currency values and held in reserve for lending in financial emergencies.

On Wednesday, the US and China exchanged barbs at the

Copenhagen climate talks, underscoring the abiding suspicion between the world's two largest carbon polluters about the sincerity of their pledges to control emissions.

US chief negotiator Todd Stern urged China - now the world's biggest polluter - to "stand behind" its promise to slow the growth of the country's carbon output and make

the declaration part of the Copenhagen agreement.

China rejected that demand, and renewed its criticism of the US for failing to meet its 17-year-old commitment to providing financial aid to developing countries and to reduce emissions of carbon dioxide and other gases warming the Earth. - Sapa-AP

NOW SEE PAGE 13

