

Opening of IPC Seminar, Salzburg – 11 May 2009

*Speech of Nikolaus Berlakovich – Austrian Minister for Agriculture,
Forestry, Environment and Water Management*

Austria's Perspective on Climate Change, Agriculture and Trade

Dear Mr. Chairman,
Dear Speakers,
Ladies and Gentlemen,

I have the honour and the privilege to welcome you in Salzburg at Schloss Leopoldskron this morning - at a palace with an eventful past which had seen hard times, but has now been shining in new splendour for years. It offers the perfect venue for meetings like today, where we seek approaches to important questions about the future which can be dealt with only jointly and on a global basis.

I am therefore particularly pleased that many esteemed personalities from different countries and backgrounds have taken the time to come to Salzburg to share their experiences and ideas to the topic "Food and Environmental Security and the Role of Food and Agricultural Trade Policy".

In my opinion strategic considerations on how to ensure the future of agriculture and the reliability of supply under the present framework conditions are necessary.

To me, the most important current and future global framework conditions are:

- the rapid growth of the world's population with the urbanisation and the need for supply security;
- the impacts of climate change which will further restrict arable land, which worsens water scarcity and reduce biodiversity;
- the contribution of agriculture to energy supply; and
- the continuing globalisation and competition orientation of agriculture - a great challenge in particular for less-favoured regions.

The lectures and papers presented at this seminar will help clarify which measures should be taken to minimise the negative effects.

Ladies and Gentlemen,

Climate change is certainly one of the major challenges to agriculture; it is on the one hand itself concerned, but, on the other hand, agriculture can also make a significant contribution to climate protection.

Agriculture is among the areas most severely affected by climate change. It depends strongly on weather and soil conditions.

Due to increasing dryness and higher climate variability yield and quality losses as well as a decrease in yield security will be part of normal management. For some plant varieties the extended vegetation periods and increasing CO₂ concentrations may lead to rising yields. But, in general, negative impacts will probably be predominant. Critical factors such as heat stress and drought stress, new or more frequently occurring harmful organisms, the higher incidence of extreme events, but also conflicts around water use have a limiting effect.

However, agriculture also contributes significantly to climate protection. Agriculture & forestry is the only sector which, by way of photosynthesis, is able to fix carbon in biomass and soil – also for a longer period. In Austria, with a share of 12% in the domestic consumption, the use of biomass for energy purposes is one of the major renewable energy sources and contributes significantly to climate protection.

In the context of the recently adopted EU climate and energy package Austria has taken over a national target of achieving a share of 34% of its final energy consumption from renewable sources by the year 2020.

If we manage to tap the full potential of biomass, this will be an important step towards greater independence in the energy sector and to secure jobs in rural areas.

Ladies and Gentlemen,

The concerns which I already mentioned at the beginning show the great significance of common strategies in global issues, in particular with regard to the impacts of climate change, the security of food and energy supply and the global cooperation both in the economy and in agriculture.

It is therefore important - also from the view of agriculture - to have a fair and open trading system which, also during hard times, does not leave room for protectionist measures like the ones taken in the past. But

nevertheless, we have to take into account also social and environmental concerns in our trading system.

It is important to bring the Doha Round to a fruitful and well-balanced end. In the course of the current WTO negotiations great progress has already been made especially in the field of agriculture. Europe has supported this development with high commitment.

Good compromises have been achieved for numerous difficult topics and I am sure that every effort will be taken in the near future to find an acceptable compromise for agriculture also for the few still unsolved questions. Austria will continue to support the European Commission in playing a leading and constructive role in the WTO negotiations.

However, the further strengthening of the WTO should also allow countries to rely on their own, individual priorities and should be an opportunity to maintain regionally different agricultural production methods.

Ladies and Gentlemen,

to Austria this means above all to be free to promote methods of production that are important to the Austrian population - for example a sustainable production method which promotes organic farming.

For this reason each way of production that endangers or might impact this organic production method is disapproved in Austria. Consequently, we also reject the production of GMO crops as it is incompatible with the small scale structure of Austrian agriculture, mainly in mountain areas. GMOs and organic production side by side would not be possible in Austria; especially the organic would be seriously affected.

Thus we need an open system of trade which maintains the option of choosing between different production methods and which promotes country-specific priorities instead of refusing them. It is important to take account of these options and individual priorities of the different countries.

These are the things by which people and the media measure the success of international cooperation.

Another major concern in connection with the WTO is to clarify the relation between environmental measures and global trade - the

relationship between WTO resolutions and multilateral environmental agreements.

Global environmental problems can only be solved on multilateral level – but the World Trade Organisation with its focus on trade policy is certainly not the right problem-solving forum for these questions. These issues must be addressed in the framework of the relevant environmental agreements such as the Climate Convention or the Convention on Biodiversity. It may become necessary to take trade-related measures to reach the objectives of such environmental agreements.

Already now the WTO offers certain approaches for accepting the need for trade-related measures for environmental purposes. But this understanding needs to be further strengthened, and it should be made absolutely clear that multilateral environmental agreements are equal to the WTO Agreements. This would be a great success for the environment, in particular for the field of climate protection.

Ladies and Gentlemen,

On this basis, a strong and active World Trade Organisation could play a positive role also in climate protection. In one sector - the opening of markets for environmentally friendly technologies and services – the WTO could, and should, make a particularly active contribution to climate protection.

In this context I would like to say a few words about the ongoing international climate negotiations. It is one of the big political challenges of the year 2009; we have entered a particularly intensive phase. The reduction of greenhouse gas emissions, which is required globally, can be achieved only if all countries make a contribution.

We need a comprehensive global climate agreement which has to be negotiated under the existing UN Framework Convention on Climate Change. The objective of the Climate Conference in Copenhagen in December is to adopt such an agreement. Even if not all details will be defined, at least the cornerstones of the future climate architecture should be laid in Copenhagen.

The EU Member States and the European Commission will step up efforts to convince our partners from other parts of the world to follow the example of the EU and to participate in such an international agreement.

The changed position of the USA and their return to the climate process gives cause to cautious optimism. But the great challenge will be to bring on board emerging economies like China and India. We are all called upon to strengthen our efforts to support this process in order to achieve the positive result which is so urgently needed in the combat against climate change.

Ladies and Gentlemen,

I hope that feasible approaches and solutions to the complex issues of supply security, climate change, trade and agriculture will be found at this meeting – solutions which are compatible with the principle of sustainable development.

Thus I wish you every success for this meeting in Salzburg!

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