

Good afternoon. Thank you for joining us today either in person or by webcast. I'm delighted to be with you and I look forward to working with you.

Last year, we saw the emergence of high level political will to tackle climate change as the defining challenge of our times. Today I want to address two issues with you:

First, why governments need to make further progress now .. and ...

Secondly, what next steps are not only possible but essential.

First, to the role of governments:

Only governments, working together, can mobilise the human ingenuity, innovation and initiative to set free the full power of societies, science, and business to meet the climate challenge.

Governments must set full sail ahead to capture the powerful winds of change that humanity is wanting to release.

In Cancún, governments can set those sails higher. They can capture pledges they have made and begin to implement them ... fully appreciating that what is agreed may not be at the level which science demands ... but that it is the next essential step in the right direction.

Governments have both the opportunity and responsibility to build on past efforts in five key areas.

First, they need to resolve what to do with their public pledges to cut emissions.

All industrialised countries have made public pledges to cut emissions by 2020 ... and in addition, 38 developing countries have submitted plans to limit their emissions growth.

The industrialized country commitments amount to a range of between 12 to 19 percent cuts in their emissions by 2020.

That is, as you know, still well below the 25 to 40 percent cut which the IPCC says gives us half a chance of staying below a 2 degree average global temperature rise. There is no doubt that industrialized countries need to raise their ambitions to cut emissions.

To progress, governments must also have a more serious conversation about the Kyoto Protocol ... the only existing international agreement with legal status to verify emission reductions. Governments need to address divisions over a second commitment period of the Kyoto Protocol after 2012, not least for clarity on the future of the carbon market.

Second, governments seem on track to agree to a comprehensive set of ways and means to allow developing countries to take concrete climate action.

This includes adapting to climate change, limiting emissions growth; getting adequate finance; boosting use of technology; promoting sustainable forestry; and building up the skills and capacity to do all this. All developing countries need help to take these actions, but the poorest and most vulnerable among them need the support most urgently.

Third, industrialised nations can turn their pledges of funding into reality.

Last year, they promised 30 billion dollars in fast-track financing for developing country adaptation and mitigation efforts through 2012.

Developing nations see the transparent and real allocation of this money as a critical signal that industrialised nations are committed to progress in the broader negotiations.

Industrialised countries also pledged to find ways and means to raise 100 billion dollars a year by the year 2020. The Secretary-General's Advisory Group on Finance is looking at possible sources of this funding and will report to governments at the end of October.

Fourth, countries want to see that what they agree with each other is measured, reported and verified in a transparent and accountable way.

It's called MRV in the negotiations and it's not complex. Countries simply want to know that what they see is what they get. Progress here will be a gauge that countries are moving to common ground.

Fifth, and last, governments agree that pledges need to be captured in a binding manner. But they still need to work out how to do that.

Binding agreements among governments can be on an international level, on a national level, or can be based on compliance with rules and regulations. They could also involve a mix of all three, and governments are currently considering them all.

It's important to note that the combination of the last two elements, accountability and binding action, is essential for societies, science, and business to be confident that clean, green strategies are being pursued and will be rewarded globally, as well as locally.

The challenge governments face is not a small one. What's at stake here is the long term, sustainable future of humanity.

We know the milestones science has set -- by when and by how much emissions must drop to have a chance of avoiding the worst. It requires nothing less than an energy revolution both in production and consumption.

A transformation like this is built by grasping the politically possible at every step ... turning countless, diverse and sometimes conflicting interests into the common good.

Governments have been building common ground since the UNFCCC began in Rio in 1992, and then, consecutively, in Berlin, Kyoto, Marrakesh, Bali, yes! Copenhagen ... and now Cancún.

The idea that a single magic, global agreement could solve all climate issues does not do justice to the crucial steps already achieved and, most importantly, dangerously ignores the need to keep innovating.

In Cancún, governments can harness the politically possible in order to achieve concrete and unmistakable progress.