

global emissions originating in developing countries will grow to meet their social and development needs.

The message is clear: industrial countries need to continue to take the lead in gradually reducing emissions for decades after the year 2000, leading to a significant reduction by the middle of the next century for all industrialised countries together. But on the basis of the upcoming Second Assessment Report of IPCC the figures should be determined more precisely, in order to provide strategic guidance to the AGBM on the limitation and reduction of overall emissions through the protocol.

* **The technical potential**

The technical potential for emission reductions is determined by the technologies that are available. The analysis done by IPCC Working Group II on this aspect (which was recently accepted by the full Working Group) clearly indicates that there is a significant technical potential to reduce greenhouse gas emissions in the near future. This will therefore not be the limiting factor.

* **Costs and economic impacts**

The costs of policies and measures and the economic impacts (inside Annex-I Parties as well as on other countries) are very important in a political context. Before conclusions can be drawn, some aspects need further consideration. Two things are clear already:

(1) IPCC is confirming its earlier messages that climate change should be considered a serious risk, which will require progressive mitigation and adaptation measures over time. IPCC Working Group III confirmed in its recently approved summary report the large potential of policies and measures that can be warranted on other grounds ("no regret"). This "no regrets" potential needs of course to be fully used in the protocol. In view of the risks of climate change further policies and measures beyond "no regrets" are likely to have to be included in the protocol