

Dear IPBA Members:

As I write this message, 192 nations and 15,000 participants have convened in Copenhagen to negotiate a treaty to continue international efforts to deal with climate change after the Kyoto Protocol expires in 2012. When you read this message, the results of Copenhagen will be known. Whatever that outcome, that meeting will be an historic milestone in our efforts to lessen climate change resulting from human activities.

In the weeks preceding this Conference of the Parties 15 (COP 15), major developed and developing countries committed to significant reductions of greenhouse gas emissions, increased use of nonfossil and renewable energy resources, and promotion of energy efficiency throughout their economies. Moreover, public concerns about the possible consequences of climate change for present and future generations are becoming more widespread globally. Civil society, publics at large and businesses and business organizations are promoting public awareness of climate change, sponsoring specific climate change initiatives, and calling for effective governmental, business and community actions to deal with these impacts. While climate change during earth's history generally occurs from natural geophysical changes, the widespread scientific consensus is that in recent decades anthropogenic sources are likely aggravating the rapidity and extent of climate change.

The potential and already visible actual impacts of climate change, the identification of the human activities that contribute to climate change, and the growing awareness of and concerns over the long-term implications and consequences of climate change have focused our attention on how best to deal with those human activities that contribute to climate change. And here we immediately identify the roles of the law and lawyers as essential to shaping our approach to this historic and globally critical set of issues.

The most prominent climate change legal regimes include the UN Framework Convention on Climate Change (1992) and the Kyoto Protocol (1997). The European Union established the world's first CO₂ emission trading system (2003) that covers its member states (EU ETS). In countries such as the United States, which do not have national legislation similar to the EU ETS, several groups of states have established regional emissions trading systems, and voluntary carbon trading and offset markets have been established.

Much of this work has been in the realm of public international law, in treaty negotiation and implementation. Less visible is the substantial amount of work involving interactions between laws affecting business, commerce and investment, on the one side, and public policies and legal regimes governing environmental, regulatory and related legal dimensions dealing with emerging climate change issues, on the other side. Indeed, in many countries, including those without mandatory emissions trading systems, it is business and business organizations that are pursuing corporate policies seeking to minimize human activities that contribute to climate change.

Businesses recognize that the impacts of climate change issues on their business operations on local, national, regional and global levels raise difficult and complex issues regarding how they, and hence their legal advisers, need to adapt to comply with current, and

impending, regulatory requirements, and equally important how to remain ahead of, and take the lead on, promoting business and corporate policies and actions that can help them remain competitive and successful in their operating environments and markets.

Many of these legal dimensions involved are clear. These include environmental pollution through emissions; release of greenhouse gases in farming and forestry developments; liability issues in land use planning and development, especially along coastal or riparian areas; required disclosures of potential or actual global warming issues on a company's business in securities offerings and transaction and in M&A transactions; legal aspects of establishing and operating voluntary carbon trading systems, particularly where such systems are not otherwise regulated and use online trading systems; and other potential developments that are still emerging. In short, almost every aspect of business and business law is directly or indirectly affected by climate change issues. These impacts may be even greater if a global climate change treaty is successfully negotiated and enters into force.

I emphasize climate change legal issues not only because of COP 15, but also because the IPBA's upcoming Annual Conference, scheduled for May 2-5, 2010, in Singapore centers on *Climate Change and Legal Practice*. This will be the first conference of lawyers in Asia to deal with this vital issue. Among its very prominent speakers are Minister Mentor Lee Kuan Yew (formerly Singapore's Prime Minister), former US Vice President Al Gore (Nobel Peace Prize winner), and Dr. Rajendra K. Pachauri (Nobel Peace Prize winner and Chair, UN Intergovernmental Panel on Climate Change). Substantive sessions highlight climate change and sustainability issues in aviation, construction projects, M&A transaction, the environment, cross-border investments, finance, securities, clean tech, legal practice, and more.

The IPBA's commitment to our members and supporters is to pursue cutting edge business legal issues and thereby enable lawyers to enhance their contributions to business law and clients generally. The IPBA 2010 Annual Conference promises to continue this pursuit, and we welcome your attendance and participation in the IPBA.

With all best wishes,

Gerald A. Sumida
Secretary General

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