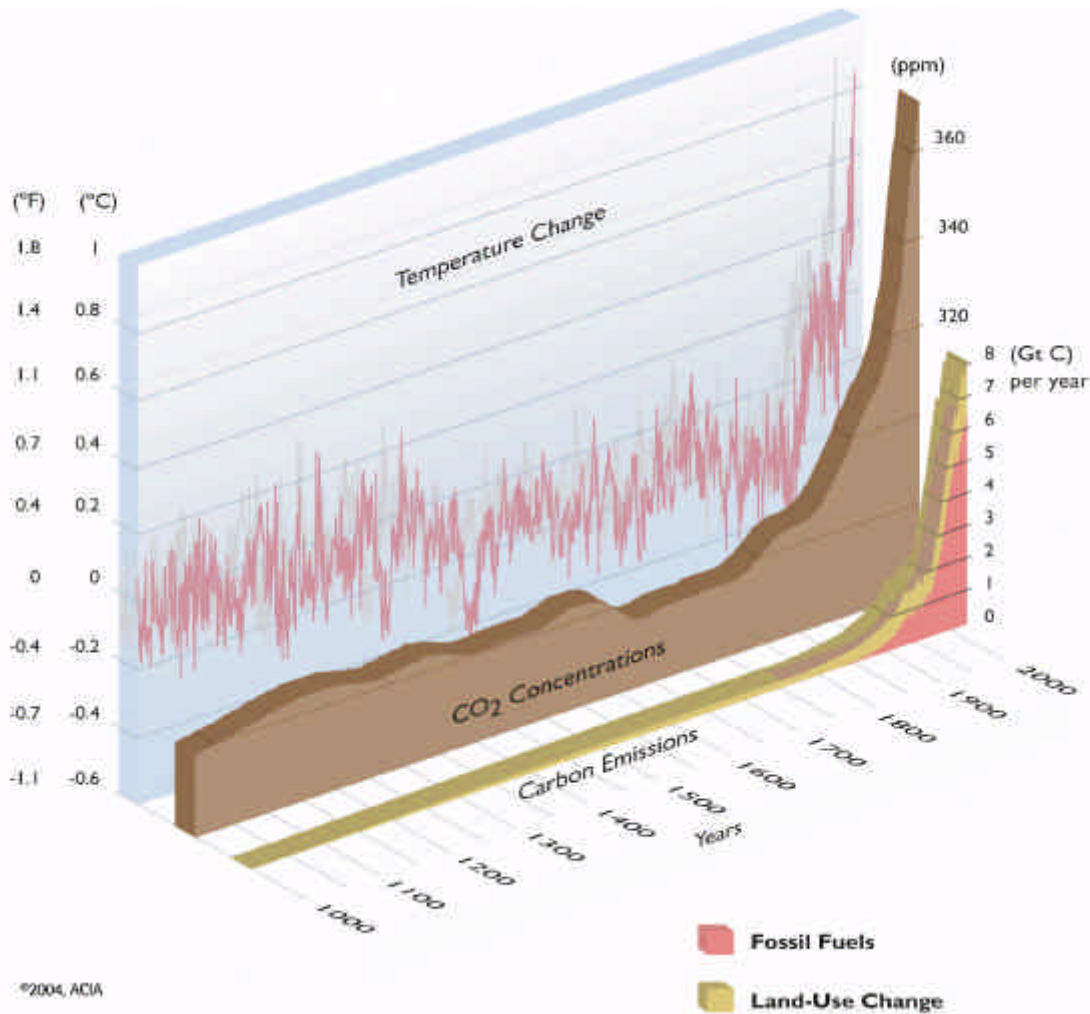


EU Climate Change Policy



Lars Friberg
CAN Europe

The role of CAN Europe



To support and empower civil society organizations to influence the design and development of an effective global strategy to reduce greenhouse gas emissions and ensure its implementation at international, national and local levels in the promotion of equity and sustainable development.

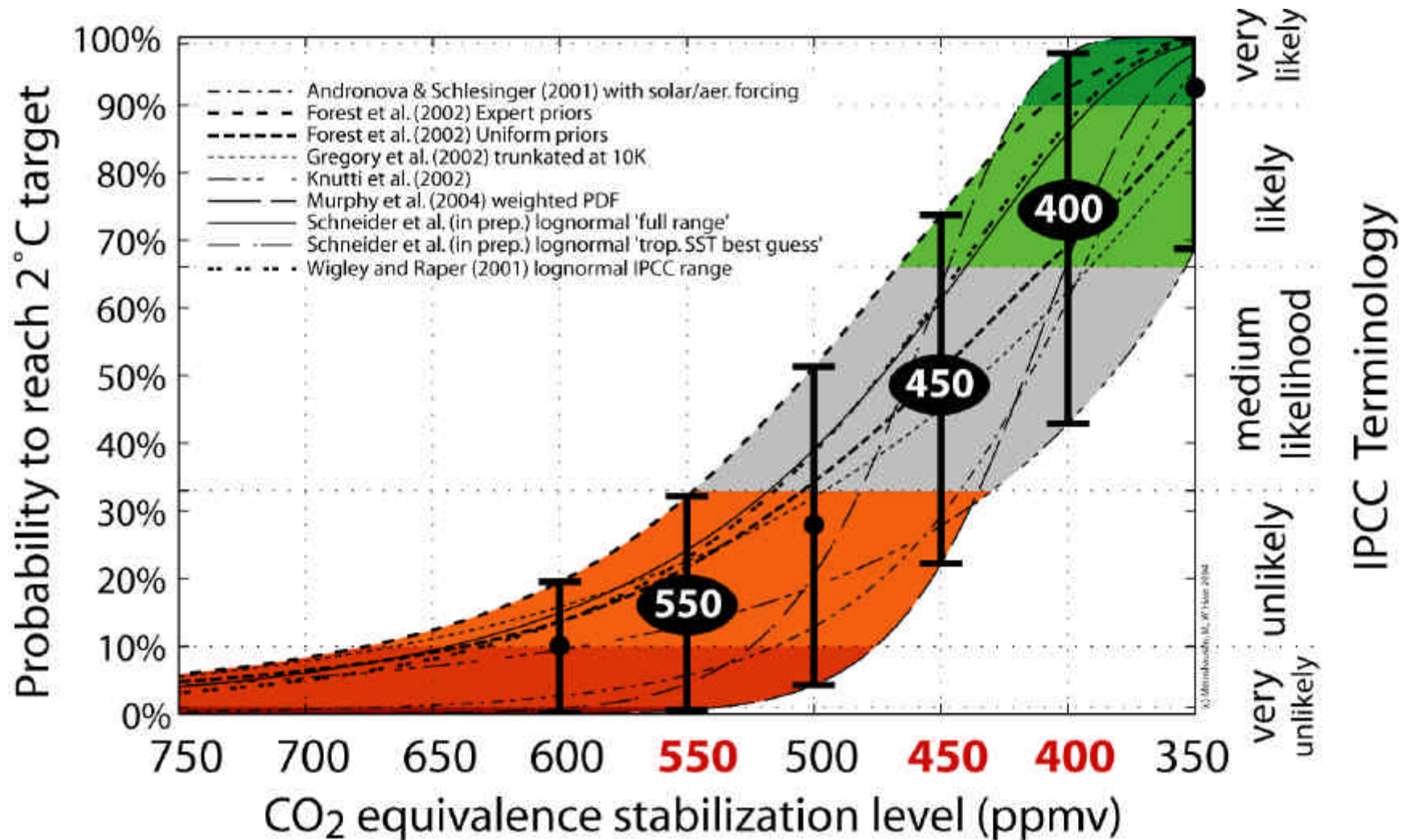
(CAN Europe mission statement)

Outline

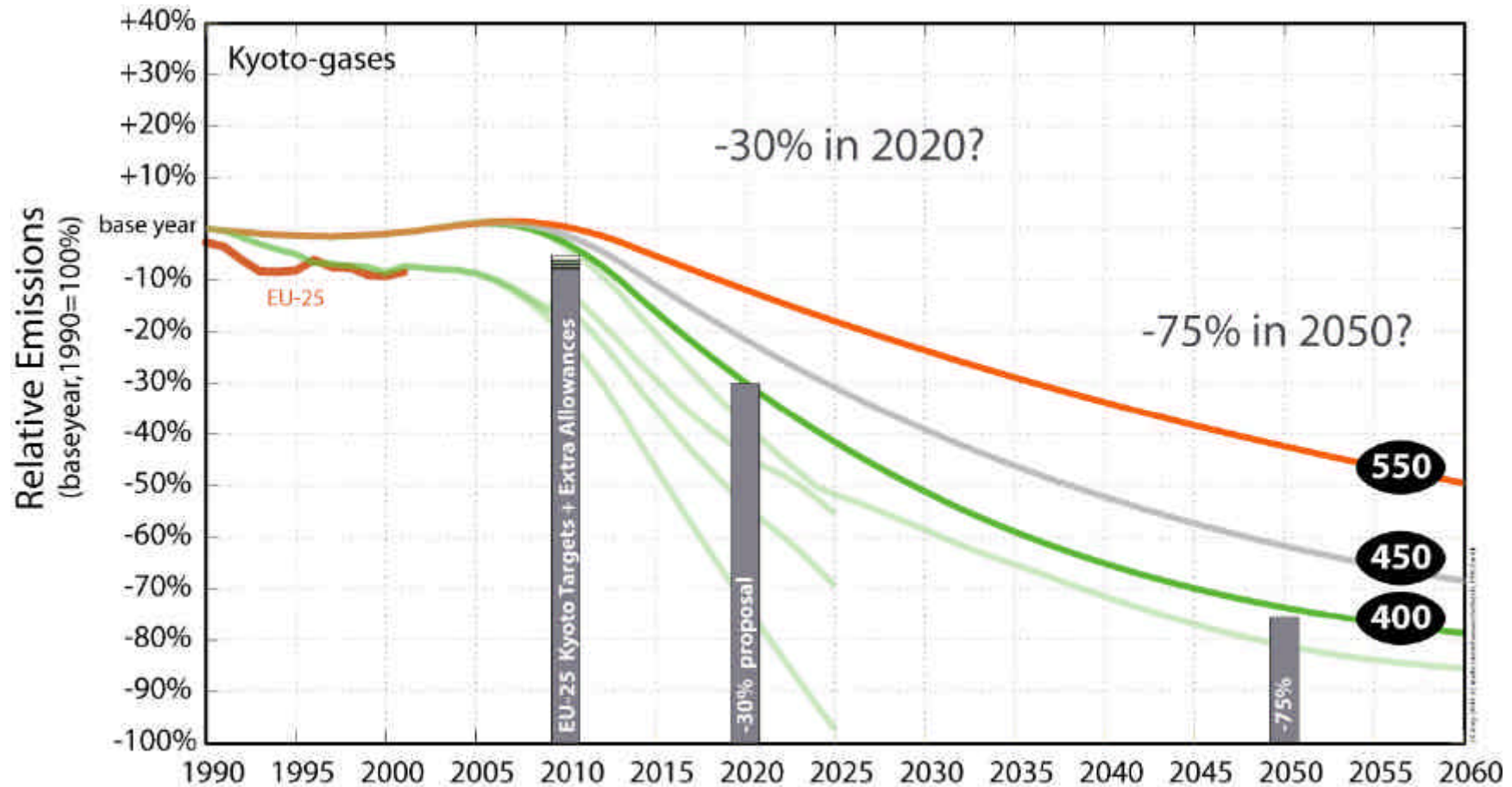


- Implications of EU 2°C target for post 2012 architecture
- EU response to the present US stance
- Non Annex I countries, what options for differentiating commitments and actions?
- Conclusions

The probability to stay within 2°C



Reduction path consistent with 2°C

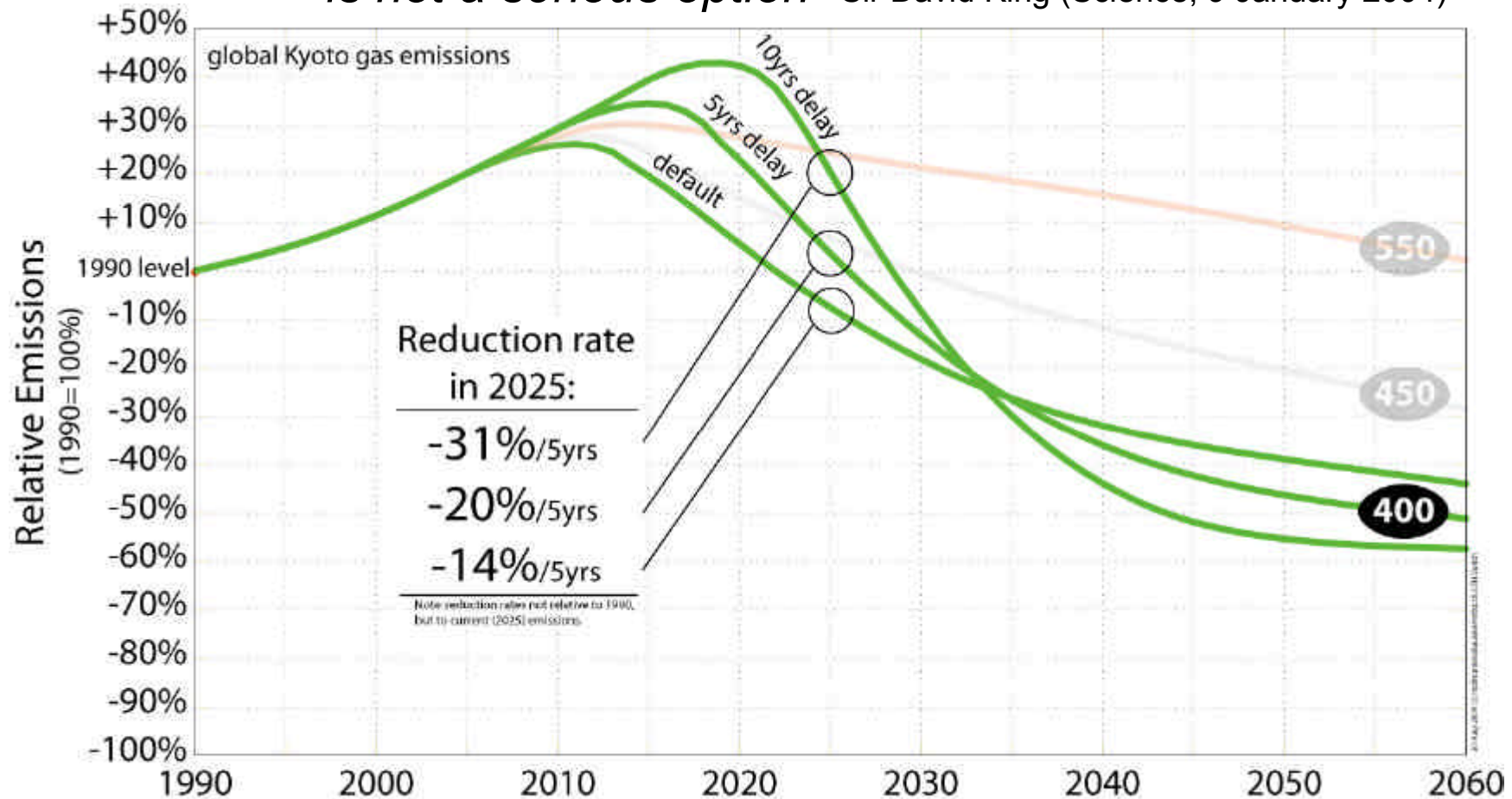


Historical data on emissions and production (range defined above) for Annex A gases and aerosols from Commission Reporting Format Tables (excluding CO₂ and CH₄) and other emissions (aerosols) for 2005 and 2006 were derived in collaboration with Met Office. Emissions for 2008 and 2009 were derived in collaboration with Met Office. Emissions for 2010 and 2011 were derived from the European Commission's Emissions and Production Report (2012). Kyoto targets and potential additional (range) emissions according to Member States' (see Annex C October 2009) and the 2009 Climate Change Report (see Annex C October 2009) and the 2009 Climate Change Report (see Annex C October 2009). Cambridge University Press, 2009.

No time to waste!



“Delaying action for a decade, or even just years, is not a serious option” Sir David King (Science, 9 January 2004)



Notes: (i) The 3550Gt, 3400Gt, and 3400Gt stabilization scenarios are based on the EDW multi-gas emissions pathway method, which builds in the gas-to-gas correlations within the pool of 54 SRES and Post-SRES scenarios (Mears et al. submitted). (ii) Land-use CO₂ emissions are shown decreasing in the default scenario. If constant CO₂ emissions from the land-use sector were assumed, the emission reductions of the other gases (methane, nitrous oxide, HFCs, PFCs, SF₆) have to be more pronounced. Alternatively, if emission allowances were given to avoid land-use emissions, overall emission allowances for the Kyoto gases would have to be reduced accordingly (solid lines). (iii) Delay profiles were calculated by assuming a 5 or 10 delay in global action in the illustrative default scenario. OECD and BEF regions are assumed to enter stringent emission reductions by 2010, and USA and EUM by 2015.

Global emission reductions



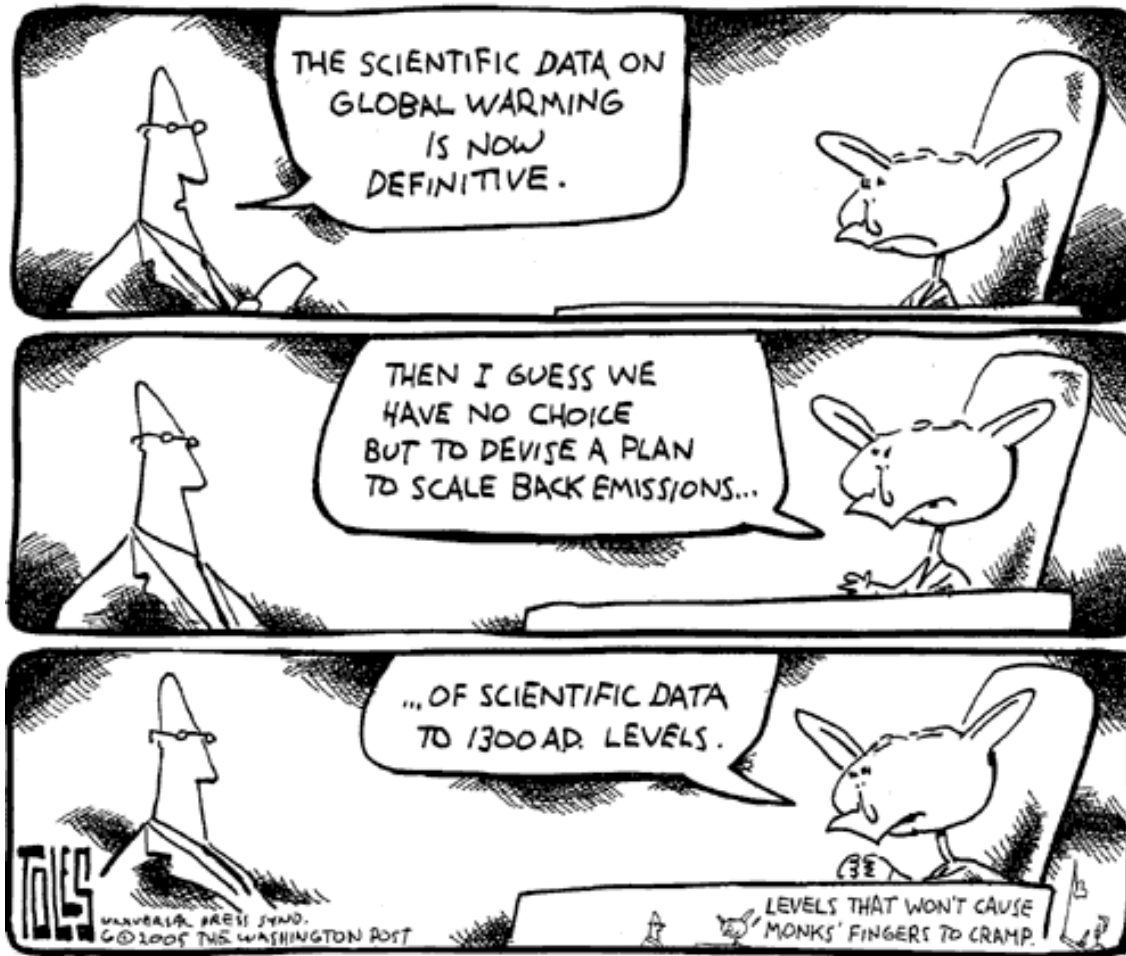
- If global emission reduction rates are to be below 6%/yr in the 2020s then the peak needs to occur no later than 2020
- If global emission reduction rates are to be below 4%/yr in the 2020s then global peak needs to occur around 2015
- Little timing flexibility remains

Implications of 2°C target for regime



- Legally binding targets and trading system
- Need for early and rapid decarbonization in the large emitters of the developing world
- Need for complex regime architecture
- Need for very rapid technological change

United States



US cap

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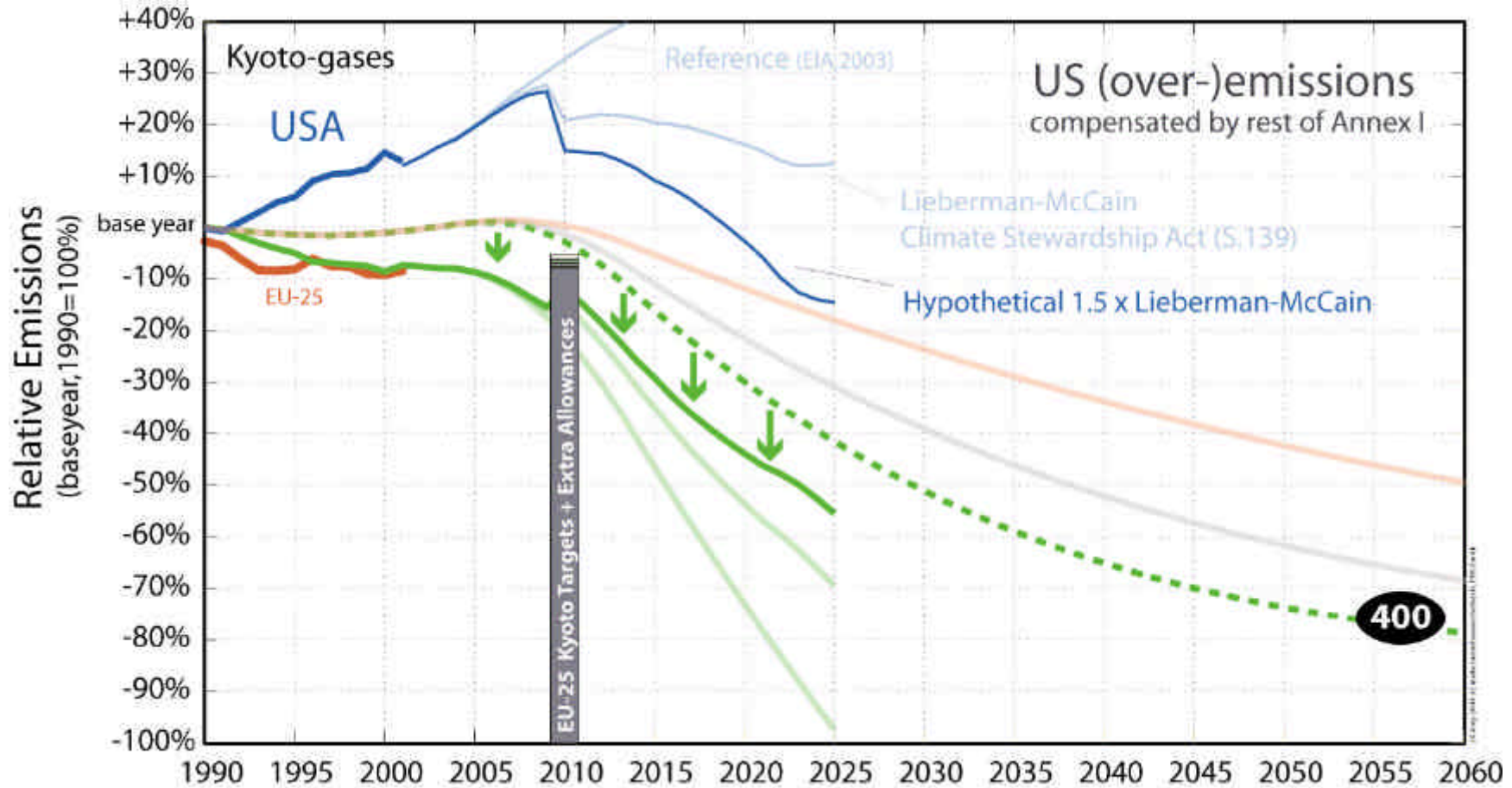
potential!

United States



US emissions according to Lieberman-McCain (S.139)

- Rest of Annex I needs to reduce to -55% by 2020, instead of -30%.



The energy data and CO₂ emissions projections (range) shown are based on the Kyoto Protocol for Annex I gases and apply to the Common Reporting Format (CRF) data. The energy and CO₂ data for 2005 and 2010 were derived in collaboration with the United States using the FUR 20 model. Kyoto targets and potential additional (beyond) allowances according to Marrakesh Accords (see Annex 6) are shown. The scenario for the Kyoto Protocol is based on the 'Kyoto Protocol' scenario of the Cambridge University Press (2007).

EU - USA - UNCERTAINTY



- EU will have substantial economic competitiveness benefits from being first mover
 - Costs for stringent abatement likely at most amount to 0.05% GDP/year (compare to 0.5% GDP/year for EU traffic congestions)
 - Cost for non-action will be higher, and increasing
 - Overall costs should thus not be a major concern
- How to capture these benefits – both technological and economic and in a way that benefits both Europe, Japan and the large emitters in the developing world?

Non Annex I parties?



Financing instrument needed



- Large direct transfers currently not politically feasible, but large additional investments do seem feasible
- Financial instruments needed that would provide additional loans at cheap or soft terms to enable investments required to meet caps taking into account trading revenue
- Focus on leveraging acceleration of sustainable development
- Would need EU / government backing but could mobilize large private sectors involvement - Green Government Bonds
- Participation by RIDCs and others linked to finance facility

Conclusions



- 2°Celsius average global warming should be agreed as *dangerous interference* = Article 2 in UNFCCC
- legally binding architecture within 2°C emissions reductions corridor is central and needs to be expanded to large emitters
 - At least 30% domestic GHG reductions by 2020 in Annex I countries
 - At least 80% domestic GHG reductions by 2050 in Annex I countries
- Finance facility is needed to guarantee additional investments but does not need to be very expensive and should bring benefits to both parties



Thank you for your attention!

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