Challenges and opportunities of low carbon development and building resilience

Jos Delbeke
European Commission – DG CLIMA
Outline

(1) Adverse effects on the EU and building resilience
(2) Reducing GHG emissions in the EU
(3) EU as a reliable partner – cooperation with 3rd countries
(4) To conclude
(1) ADVERSE EFFECTS ON THE EU AND BUILDING RESILIENCE
Mitigation and adaptation are both necessary and complementary

• **We need to increase mitigation efforts.** If we fail to limit temperature rise to below 2°C, adaptation will be increasingly costly.

• **We need to adapt.** Adaptation is inevitable (delayed impact of emissions). Adaptation is cheaper than dealing with damage.
  - € 1 invested in flood protection saves 6 € damage costs.

• **We need to act now.** Postponed adaptation and maladaptation will lead to higher costs.
  - ≥ € 100 bn/year by 2020; € 250 bn/year by 2050 for the EU

• **We need to prioritise actions** by focusing on most urgent needs.
Vulnerable Europe – territorial climate impacts

**Impacts** will affect the full EU territory, many **sectors** and **systems**. **Impacts are not** fully comparable; there are **regional differences**. Vulnerability depends also on the particular social and economic structure of each country, region, local stance.
Why an EU Strategy?

- **Cross-border** dimensions
- EU competence in **common policies** affected by climate change
- **Economies of scale** in capacity-building, research, data-gathering and knowledge transfer
- Different capacities and vulnerabilities across regions and population call for **solidarity**
- EU Funding
EU Adaptation Strategy (2013)

Contributing to a more climate-resilient Europe

Priority 1: Promoting action by Member States

Priority 2: Better informed decision-making

Priority 3: Key vulnerable sectors
Developing adaptation strategies: why?

• An Adaptation Strategy aims to increase society’s resilience to climate change.

• It is a framework for managing future climate risk, prioritising and coordinating action.

• It must result in climate risk being considered as a normal part of decision-making.

• Any climate change adaptation strategy must be flexible and continue changing as new impacts are seen.

• 16 Member States have adopted a national adaptation strategy in the EU, which help them address specificities at local and national level.
(2) REDUCING GHG EMISSIONS IN THE EU
The 2020 climate and energy package

"20-20-20" targets - three key objectives:

- A 20% reduction in EU greenhouse gas emissions from 1990 levels;
- Raising the share of EU energy consumption produced from renewable resources to 20%;
- A 20% improvement in the EU's energy efficiency.

"Cap-and-trade" system:

- EU Emissions Trading Scheme: GHG emissions from key sectors will be 21% lower than in 2005
EU's 2020 Framework for Climate and Energy: Where do we stand?

Reduce GHG levels by 20%
Increase share of Renewables to 20%
Reduce energy consumption by 20%

2020 Targets

Reduce in 2012: -18%
Share in 2011: 12.7%

2020 Projection
2020 Projection
2020 Projection
State of play domestically: EU emissions going down...

Emission reductions (EU-28 and Iceland):
- Total emissions (without LULUCF) in 2012 are 21.7% below base year levels
- Projected to be around 24.5% below base year levels in 2020.
- Over the period 2008-2012, the average annual emissions are 18.8% below base year levels
...while the economy continues to grow

- EU emissions reduced by 18% 1990 - 2012 (including aviation)
- EU GDP grew >40%
- EU as a whole on track towards -20% target
- 2010/2011→ EU-28 GDP increased by 1.4% while emissions fell by 3.3%
The EU beyond 2020: A 2050 Low-Emission Roadmap

Efficient pathway and milestones:
- 25% in 2020
- 40% in 2030
- 60% in 2040

80% domestic reduction in 2050 is feasible
- with currently available technologies,
- with behavioural change only induced through prices
- if all economic sectors contribute to a varying degree & pace.
EU's 2030 Framework for Climate and Energy: The main components

- 20% Greenhouse Gas Emissions
- 40% Greenhouse Gas Emissions

20% Renewable Energy
Min 27% Renewable Energy

20% Energy Efficiency

New Key Indicators
Review 2014

New Governance system
EU AS A RELIABLE PARTNER – COOPERATION WITH 3RD COUNTRIES
EU external climate finance

EU and its Member States largest donors of ODA globally: €60 bn p.a.

Share of climate finance has been increasing

Climate change: €3.7 bn since 2002 (just by European Commission)

EU over-achieved Fast Start Finance commitment: €7.34 billion 2010-2012

- 41% mitigation, 30% adaptation, 13% REDD.

EU committed to its share in mobilising US$ 100 bn p.a. by 2020 (Copenhagen pledge)

EU budget 2014-2020 - 20% climate-relevant

- Development cooperation policy will contribute to this, with an estimated €1.7 billion for climate spending in 2014-2015 alone.
Cooperation in the Mediterranean region

Climate change becoming priority area in Euro-Mediterranean dialogue

Regional cooperation and projects

- **CLIMA South, ECRAN**
- **Neighbourhood Investment Fund: climate window (€ 234.1 million 2008-2012 / € 122.9 climate-relevant)**

Bilateral cooperation and technical discussions increasing in importance

- **EU delegation projects, twinning**
- **EU blending facilities**
- **Projects with MSs**

=> Preparing for 2015 agreement and intended contributions
Regional programmes

Initiatives strongly supported by EU

- UN Sustainable Energy for All
- UNDP Low Emissions Capacity Building
- WB Partnership for Market Readiness

Mobilising private finance

- Global Energy Efficiency and Renewable Energy Fund/GEEREF mobilises private risk capital
- Regional blending facilities: "climate windows"

Global Climate Change Alliance (GCCA)

- 35 developing partner countries
- Regional programmes – incl. Africa
(4) To conclude...

Robust domestic and regional policies are imperative: preventing dangerous climate change, while taking immediate action for adapting and building resilience.

Low-emission path brings co-benefits: these are economic, social, investments, and particularly accessible in particular when based on long-term planning.

EU stands ready to step up cooperation: e.g. via the expert group to be established and complemented with other activities (regional/bilateral) in particular in view of 2015 agreement and beyond.
Thank you