

Climate action – a global issue

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Climate Change, 6 March 2008**

Delegation of the European Commission
to Norway and Iceland



EU targets

- 20% GHG reduction compared to 1990
 - Independent commitment
- 30% GHG reduction compared to 1990
 - In context of international agreement
- 20% renewables share of final energy consumption
- 10% biofuels in transport, with
 - production being sustainable
 - second generation biofuels commercially available
- Energy saving: 20% lower energy consumption through efficient use by 2020



Where do we stand today?

- In 2005:
 - 6.5% GHG emissions compared to 1990
 - including outbound aviation
- 8.5% renewable energy
 - mainly through large scale hydro and conventional biomass
- Targets are ambitious:
 - -14% GHG compared to 2005
 - +11.5% renewable energy share



The Energy Package

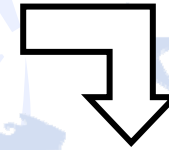
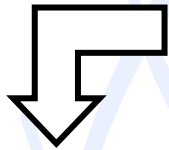
- Overall Communication
- Revision of EU Emissions Trading System (the ETS)
- Effort sharing in non ETS sectors
- Directive on promotion of renewable energy, report on renewable energy support schemes
- Directive on carbon capture and storage, and Communication on demonstration plants
- Revised environmental state aid guidelines
- Accompanying integrated impact assessment



**GHG Target:
-20% compared to 1990**



-14% compared to 2005

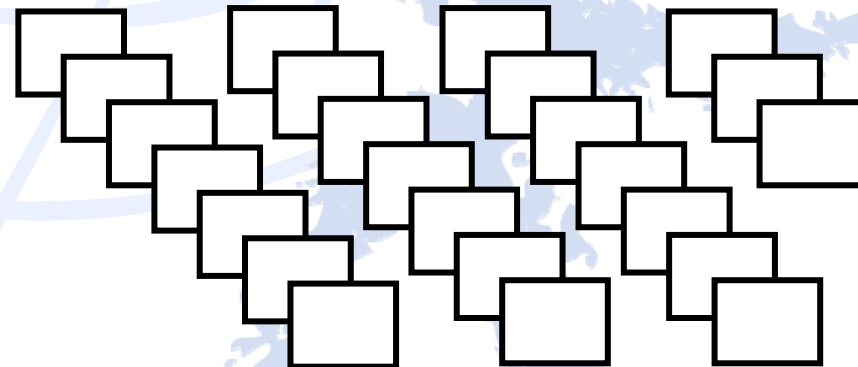


**EU ETS
-21% compared
to 2005**

**Non ETS sectors
-10% compared to 2005**



27 Member State targets, stretching from -20% to +20%



Approach

- Cost-effectiveness ↔ Fair distribution

Solution:

Fairness: differentiate efforts according to GDP/capita

- national targets in sectors outside EU ETS
- national renewables targets (partially – half)
- redistribution of auctioning rights (partially – 10%)

Cost-effectiveness:

introduce flexibility and use market based-instruments (EU ETS, transferability of Guarantee of Origin for renewables)



Revision of the EU Emissions Trading System

- Cover all big industrial emitters, include more greenhouse gases
- New: single EU-wide cap instead of 27 caps set by Member States
- - 21% compared to 2005 emissions
- Harmonised allocation rules ensure level playing field across the EU with much more auctioning
- Full auctioning for sectors able to pass on costs
- Partial free allocation to industry as a transitional measure
- European Commission to report on 'carbon leakage' by 2011

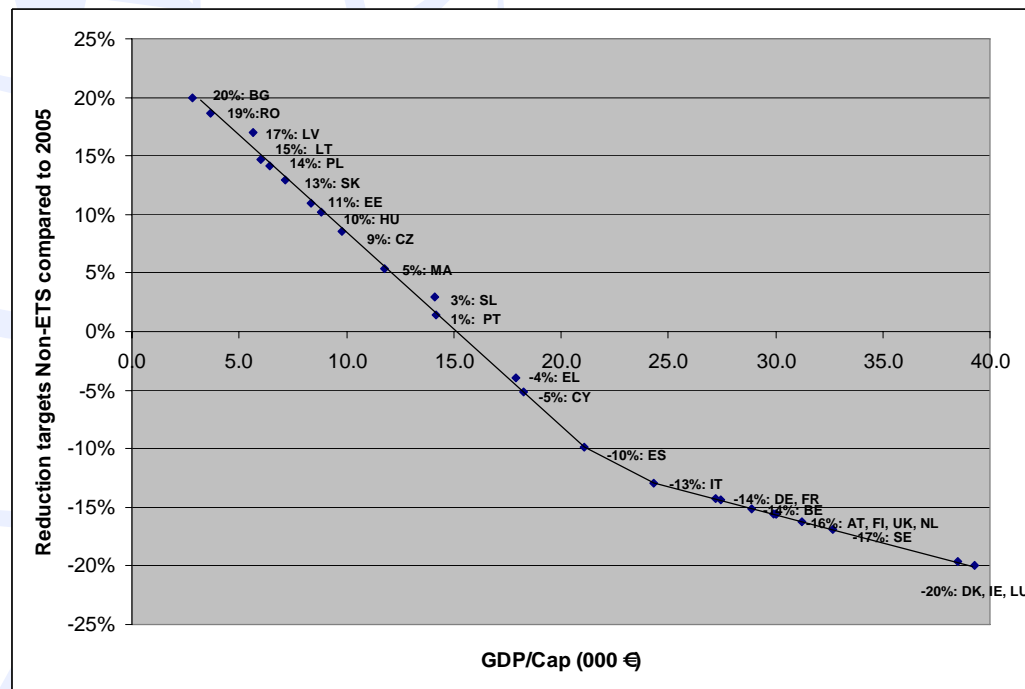


Sharing of the efforts in non ETS sectors

- Need to take into account the wide divergence of wealth in the EU-27
- GDP/capita as criterion for differentiation (ability to pay)
- Limitation: between -20 and +20%

Consequences :

- poorer Member States can continue to grow in sectors such as transport
- overall cost increases marginally compared to cost-effectiveness
- but significant equalisation of overall effort between Member States



Carbon capture and storage

- Enables CCS by providing legal framework to
 - Manage environmental risk
 - Remove barriers in existing legislation
- Provisions for ensuring environmental integrity through the life-cycle of the plant (site selection up to post closure)
- CO2 captured and stored will be considered not emitted under the ETS:
 - CCS can be opted in for Phase II (2008-2012)
 - CCS explicitly included for Phase III (2013-2020)
- Communication on promotion of demonstration plants



What are the benefits of the package?

- The ultimate goal: avoid the cost of climate change impacts: 5-20% of global GDP (Stern)
- Large scale innovation in the energy sector
- First mover advantage, aiming for technological leadership in low carbon technology
- Significant energy efficiency improvements
- Energy security: reduction of oil and gas import of €50 billion per year (at \$61 per barrel of oil)
- Reduced air pollution giving significant health benefits
- Reduced need for air pollution control measures: €11 billion per year in 2020

What are the costs of the package?

- Direct cost: increased energy and non CO2 mitigation cost to meet the targets domestically: 0.45% of GDP in 2020, or some €70 billion.
- Increased energy cost of 150 € per family by 2020
- Macro-economic GDP effects : GDP growth reduced by some 0.04-0.06% between 2013 and 2020
- These are conservative estimates, with an oil price of \$100 per barrel this would reduce costs further by €30 billion
- Impact on employment is stable (projected between -0.11% and +0.05%) but differences between sub-sectors



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 **EU - nytt**
et ukentlig elektronisk nyhetsbrev fra Europakommisjonens delegasjon

EU i verden	EU's fremtid	Indre marked	Energi	Miljø	Transport
	Helse	Justissamarbeid	Seminar	Utlysninger	Gratismateriell

Politi- og justissamarbeid

Ministermøte om EUs politi- og justissamarbeid (28/6)

Europakommisjonen har kommet med sin første vurdering av Haagprogrammet forut for Ministermøtet om EUs politi- og justissamarbeid i Tampere oktober 2006. Kommisjonen melder at europeere ønsker et aktivt EU som kan sørge for sikkerheten i hele EU-området. Det er derfor viktig at EU og medlemslandene samarbeider og blir mer effektive i kampen mot terror og organisert kriminalitet, samt bedre koordinering av flyktningstrømmer og kontroll med EUs ytre grenser. [Les mer her](#)



Kommisjonen fortsetter sin kamp mot narkotika (26/6)

I forbindelse med FN's internasjonale dag mot narkotika, understreket Kommisjonen sitt engasjement i den felles kampen mot narkotika. - Kjernen i EUs arbeid er en balansert handlingsplan for forebyggende arbeid og behandling av narkotikamisbrukere på den ene siden, og en streng opprettholdelse og utvikling av lovgivning på den andre siden, uttalte Franco Frattini, Kommisjonens visepresident. [Les mer her](#)

Europakommisjonens har lansert sin [Grønnbok om narkotikamisbruk](#). Grønnboken utgjør grunnlaget for en omfattende høringsrunde med det sivile samfunn for å bedre rusmiddelpolitikken. Høringsrunden avsluttes 30. september 2006.

[Les mer her](#)

Miljø



Miljø: Enighet om LIFE+ (27/6)

Ministerrådet har kommet til enighet om den nye finansieringsmekanismen LIFE+ for EUs miljøsamarbeid. - LIFE+ vil være den eneste finansieringsmekanismen og være et fleksibelt verktøy for EUs miljøvirksomhet, i følge Kommisjonens miljøkommissær, Stavros Dimas. [Les mer her](#)

