



get to grips with
**climate
change**



EC's approach to climate change

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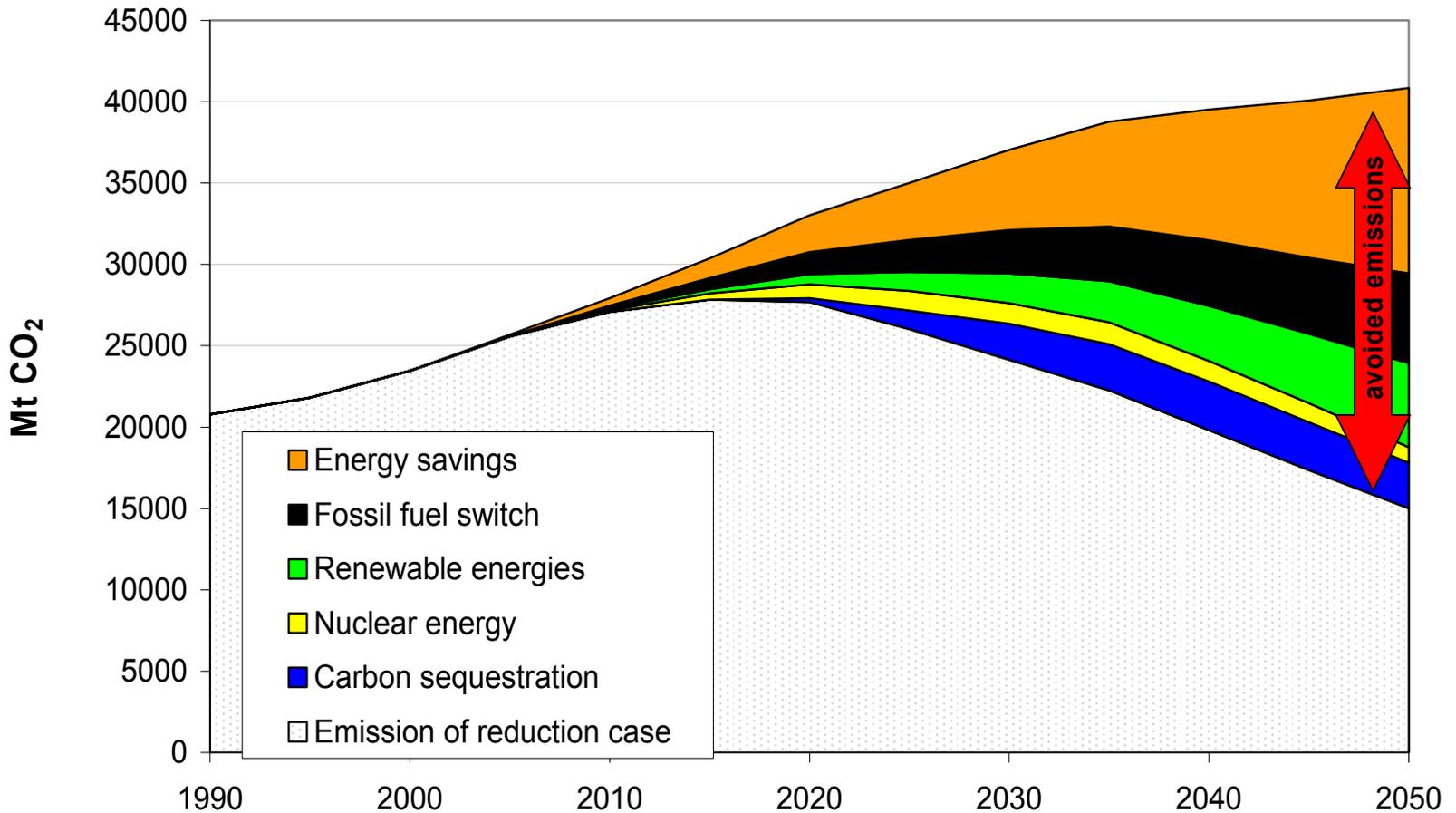
Climate Change and Energy Package

- Meeting the 2°C objective:
 - In international negotiations GHG reduction target of **30%** by 2020 for developed countries (vs. 1990).
 - A firm, independent commitment to achieve at least **20%** GHG reduction by 2020 for EU-27 (vs. 1990)
- Perspective of Kyoto Protocol:
 - 2012 -8% (EU-15)
 - Today -5% (EU-27)
 -1,9% (EU-15)



Wedges to reach the 2°C in the energy sector

Technologies that can reduce global CO₂ emissions from energy combustion





The 2°C is economically affordable

World GDP relative to 2005

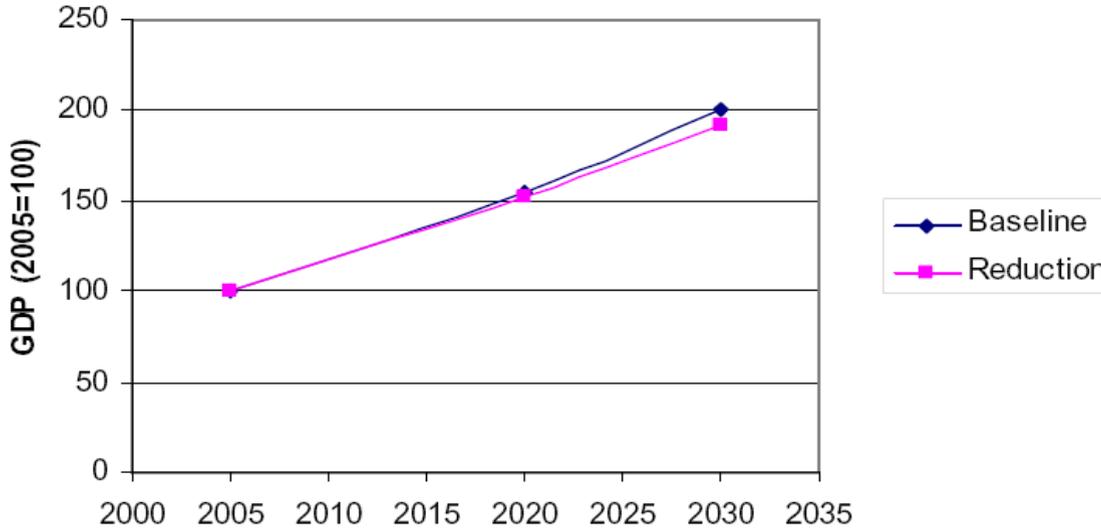
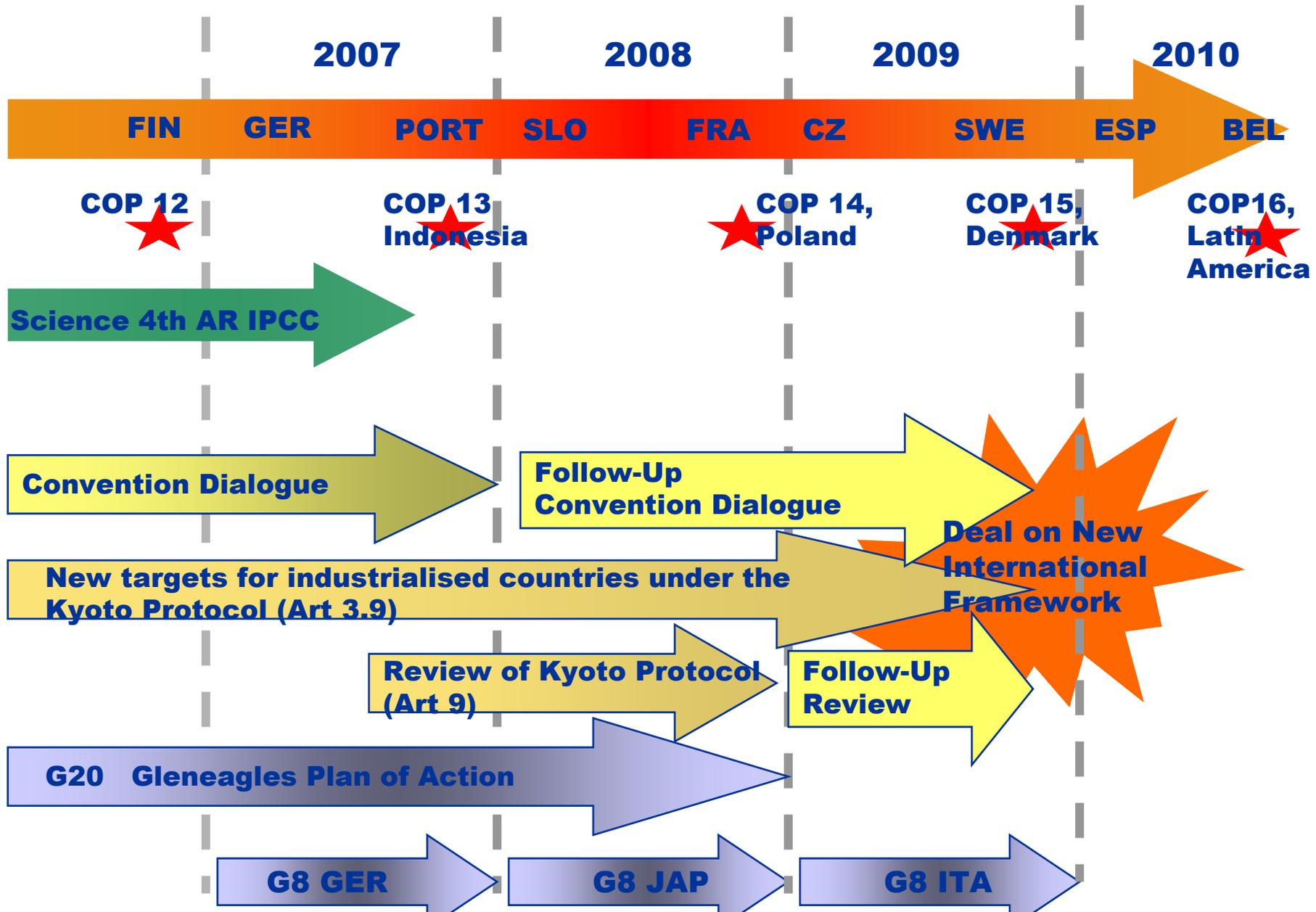


Table SPM.4: Estimated global macro-economic costs in 2030¹⁶ for least-cost trajectories towards different long-term stabilization levels.^{17, 18}

Stabilization levels (ppm CO ₂ -eq)	Median GDP reduction ¹⁹ (%)	Range of GDP reduction ^{19, 20} (%)	Reduction of average annual GDP growth rates (percentage points) ^{19, 21}
590-710	0.2	-0.6 – 1.2	< 0.06
535-590	0.6	0.2 – 2.5	<0.1
445-535 ²²	Not available	< 3	< 0.12

International climate negotiations: Outlook





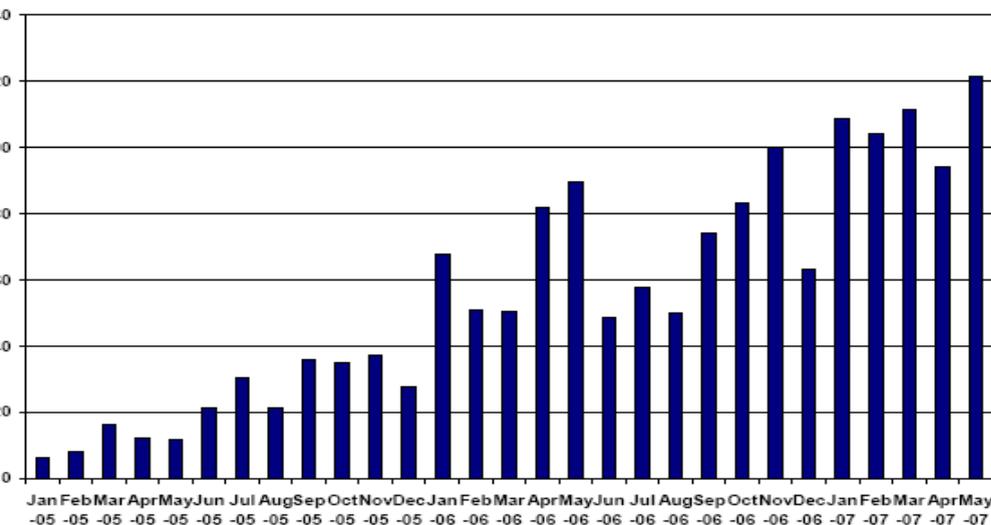
Implementation of GHG and RES targets

A challenge for the EU based on:

- Coherent and mutually supportive approaches
- Cost-effectiveness
- Internal market
- Cohesion & solidarity
- Competitiveness

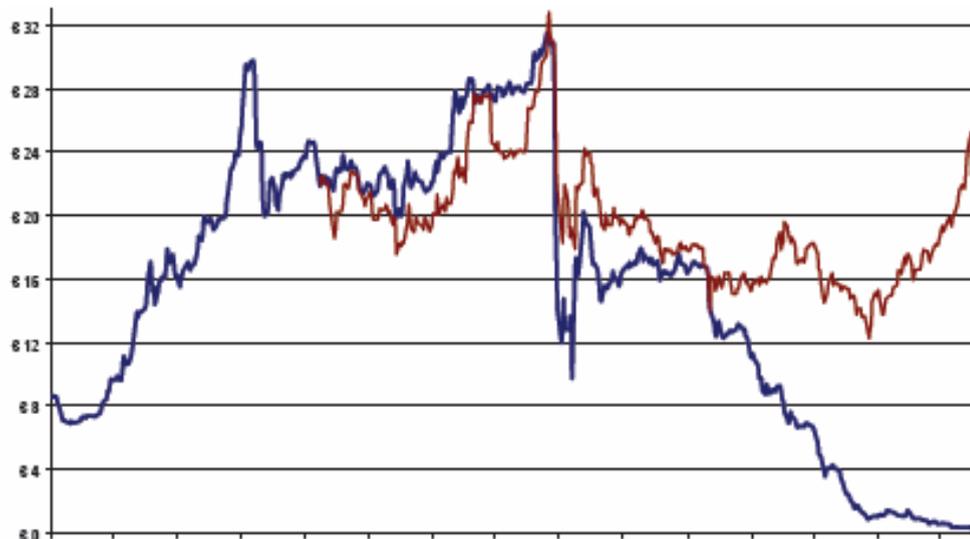


EU ETS - Development of allowance trading in 2005-7



Volumes of allowances traded
(in millions)

Allowances prices
for Phase I (blue line)
and Phase II (red line)





The second ETS period is different

- Fewer allowances in the market
- More experience by market participants
- More auctioning
- More mature market
- Better handling of market-sensitive data
- Emergence of first trading schemes paralleling the EU ETS (e.g. RGGI in 2009)



The EU ETS Review (post-2012)

- Stakeholder consultation
 - Enlarged Scope
 - More Harmonisation, in part on allocation
 - Compliance and enforcement
 - Linking
- Legislative proposal to be adopted by the Commission before the end of the year



Energy Efficiency Action Plan

- 20% improvement by 2020, compared to baseline
- Dynamic standards with labelling for consumer information and supporting measures critical
- 20 product groups in preparation under EuP Directive



Renewables

- 20% mandatory target by 2020
- Differentiation between Member States
- Flexibility between sectors
- Min. 10% biofuels



Carbon Capture and Storage: accelerate deployment

- 10-12 demonstration plants in 2015
- Objective supported by industry-led Zero Emission Technology Platform
- Aiming for diversity
 - in technologies (pre- and post-combustion)
 - in fuel sources (coal, lignite, gas, oil)
 - in applications (electricity, refineries, other energy-intensive industries)
- Cooperation EU-China



Carbon Capture and Storage: towards a regulatory framework

- Ensure environmental integrity
 - Permitting of storage sites, monitoring & reporting, closure and after care provisions
- Remove regulatory barriers :
 - waste
 - water framework directive
- Include in EU ETS
- Mandatory CO₂ emission constraints post-2020?
- Proposal end 2007



Transport : CO₂ from cars

- General objective: 120 g/km CO₂ by 2012
 - Average new car fleet of 130 g/km CO₂ by 2012
 - Additional 10 g/km by other technological improvements and by an increased use of bio-fuels
- Hearing in July 2007
- Proposal for legislation : 2007/8
- Review in 2010



Transport: Decarbonise fuels

- Review of the Fuel Quality Directive
- Reporting of lifecycle GHG emissions from fuel supplied from 2009
- Reduction obligation proposed:
 - Starts at 1% per year in 2011
 - Obligation increases each year by 1%
 - In 2020 life cycle GHG from fuel would be 90% that in 2010.



More information on how to...

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climate change



http://europa.eu.int/comm/environment/climat/home_en.htm

http://ec.europa.eu/environment/climat/future_action.htm

http://ec.europa.eu/energy/energy_policy/index_en.htm