

Opinion of the European Economic and Social Committee on the ‘Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions — Towards a comprehensive climate change agreement in Copenhagen’

COM(2009) 39 final

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On 28 January 2009, the Commission decided to consult the European Economic and Social Committee, under Article 262 of the Treaty establishing the European Community, on the

Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions – Towards a comprehensive climate change agreement in Copenhagen

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The Section for Agriculture, Rural Development and the Environment, which was responsible for preparing the Committee's work on the subject, adopted its opinion on 2 September 2009.

At its 457th plenary session, held on 4 and 5 November 2009 (meeting of 5 November 2009), the European Economic and Social Committee adopted the following opinion by 168 votes to 2 with 3 abstentions.

1. Conclusions and recommendations

1.1. The EESC is very disappointed that the EU Heads of State have still not found agreement on crucial decisions on climate change financing.

1.2. The EESC recommends, in line with scientific findings, a long term (by 2050) target about 2 tonnes CO₂e per capita per annum, in order to keep global warming to less than 2 °C.

1.3. The EESC asserts that the EU should take up a strong interim target of at least 30 % reduction in GHG global emissions from 1990 by 2020, providing there are comparable reductions by other developed and by economically more advanced developing countries.

1.4. Developed countries should commit to a reduction of at least 80 % in GHG emissions by 2050, relative to 1990.

1.5. The EESC is in agreement with the Commission that developing countries as a group (with the exception of Africa's least developed countries) should commit to limit the growth of their emissions to 15 % to 30 % below 'business as usual' by 2020.

1.6. GHG emissions from aviation and maritime transport should be included in the negotiations in Copenhagen.

1.7. The EESC reiterates the need to reduce gross tropical deforestation by at least 50 % compared to current levels by 2020, whilst at the same time ensuring a sustainable management of forests, grasslands, wetlands and peatlands elsewhere in developed countries and for the future in developing countries.

1.8. The EESC endorses the Commission's support of an international arrangement to add new fluorinated gases to the Kyoto Protocol 'basket'.

1.9. Adequate financing for global (and regional) climate change Research, technology Development and Demonstration must be provided.

1.10. The EESC is supportive of a pro-active education and outreach policy, to promote better understanding of climate change and its impacts, to the citizens of Europe and beyond.

1.11. The present global economic downturn should not be used as a deterrent in taking decisive and urgent actions on climate change.

2. Introduction

2.1. The EESC is convinced, in light of recent scientific findings since the IPCC Fourth Assessment Report (AR4), that there is now need, more than ever, for urgent and immediate action.

2.2. A warming target of 2 °C above pre-industrial levels has been established by the EU Governments in 1996 and reaffirmed since by the European and Environmental Councils, and more recently by the EU Climate Change Expert Group as the maximum that can be tolerated, above which will likely cause major societal disruption through health impacts, water shortages, food insecurity and forced migration. However, 2 °C is by no means safe, as for example, precipitous receding of Arctic sea ice is already occurring at the current global mean temperature of 0,8 °C above pre-industrial levels.

2.3. Recent scientific findings are more alarming than those from the IPCC AR4 Report. The Global Carbon Project has confirmed that the growth of carbon emissions is intensifying, with growth rates (on average 3,5 % in the years 2000-2007, an almost four fold increase from 0,9 % per year in 1990-1999) outgrowing even the worse case scenario of IPCC-Special Report on Emissions Scenarios.

3. Emission Targets

3.1. Background material

Developed industrialised countries, which contain about 1 billion of the 6,7 billion people in the world in 2008, are the source of around 70 % of all emissions since 1950. In the future, countries, now considered 'developing', will be the source of the bulk of emissions

Global emissions for both 1990 and 2000 were around 40 Gigatonnes (Gt) CO₂ equivalent (e) per annum, and were about 50 Gt CO₂e in 2008. The global emissions per capita per annum in 1990 and 2000 were 7-7,5 metric tonnes per capita, and close to 8 metric tonnes per capita in 2008. Recent work, led by the Climate Impact research Group at Potsdam, Germany, concludes that global GHG emissions must be cut by more than 50 % by 2050, relative to 1990 levels, if the risk of exceeding 2 °C is to be limited to 25 % (which is still not an insignificant risk).

3.2. The EESC recommends, in line with scientific findings and with the general scientific consensus, a longer term (by 2050) target of about 2 tonnes CO₂e per capita per annum, which equates to a stabilisation target for GHG emissions of around 500 ppm CO₂e. The target of 2 tonnes per capita per annum should be promoted at national level.

3.3. The EESC agrees with the emission reduction targets outlined by the Commission that global emissions must be reduced to less than 50 % of 1990 levels by 2050.

3.4. The EESC agrees with the IPCC AR4 and findings of more recent work that developed countries should commit to a reduction of at least 80 % by 2050, relative to 1990.

The EU has set the example of committing to an autonomous 20 % reduction in its emissions compared to 1990 levels by 2020.

3.5. The EESC also agrees with the Commission that the EU should, as proposed, take up a higher – 30 % - reduction target by 2020, providing there are comparable committed reductions by developed countries and appropriate committed reductions by 'economically more advanced' developing countries. Not only should all the Kyoto 'Annex I countries' commit themselves to

this target, but all OECD member countries and all EU Member States, EU candidate countries and potential EU candidate countries. This commitment is vitally needed, if not conditional, from developed countries in order for developing countries to follow suit and take on targets. These targets should be revised over time, along with a roadmap with projected decadal targets for 2030 and 2040, in the light of then latest available scientific research results.

3.6. The EESC is very concerned about the lack of ambitions in the proposals from other key developed countries like the United States and Japan which fall way behind the proposed targets by 2020 proposed above. The US Congress House Energy and Commerce Committee approved on 21 May 2009 energy and global warming legislation, which calls for a 17 % reduction in emissions from 2005 levels (not the significantly lower 1990 levels!) by 2020 and for a 83 % reduction by 2050. However, the 930 page measure requires enactment by the US Government, which is unlikely to be achieved in a required timeframe prior to the Copenhagen Meeting in December. The EESC is concerned of the consequential impact on success of the Copenhagen negotiations.

3.7. It is also critical of the lack of concrete financial commitment made by the G8, eight other nations and the EU representing the Major Economies Forum on Energy and Climate in L'Aquila, Italy on July 9, 2009. While they agreed on a global long-term goal of reducing global emissions by at least 50 % by 2050 and, as part of this, on an 80 % or more reduction goal for developed countries by 2050, no base year was referred to for emission reductions, and no mid-term (2020) targets were agreed.

3.8. The EESC is in agreement with the Commission that developing countries as a group (with the exception of Africa's least developed countries) should, at the same time, commit to limit the growth of their emissions to 15 % to 30 % below 'business as usual' by 2020.

The EESC is of the opinion that reaching these targets will require early and concerted action.

3.9. The EESC is of the view that mass of emissions per capita is an equitable index for developed and developing countries' reduction targets, as every world citizen should have equivalent non-pollution or pollution rights.

3.10. Ratios such as carbon intensity [carbon emissions / unit of GDP] could be used as a reduction target index, although the EESC expresses caution in its use, since reduction of this parameter can occur through an increase in a country's GDP, rather than through a reduction in overall emissions for that country.

4. Emissions from aviation and maritime transport

4.1. Emissions

4.1.1. Emissions from international (and national) aviation as well as from maritime transport are an increasing source of global emissions – GHG emissions from international aviation have grown 4,5 % per annum between 1990 and 2004, while emissions from international maritime transport has increased by 2,75 % per annum over the same period. Despite that, these emissions are not controlled under the UNFCCC and its Kyoto protocol. Aviation accounts for about 2 % of global emissions, based on CO₂ emissions from aviation in 2007, and are likely to increase for the foreseeable future. The International Air Transport Association (IATA) has adopted a set of targets to mitigate GHG emissions from aviation in June 2009. IATA also proposes that emissions be accounted for (paid) at a global, rather than at regional or local level. The International Maritime Organisation (IMO) recent reports indicate that international maritime transport emits ~ 843 MT CO₂ per annum [~ 3,5 % of total global GHG emissions], equivalent to the emissions from a large developed country like Germany.

4.2. Targets

4.2.1. The EESC concurs with the Commission that emissions from international aviation and maritime transport be included in the Copenhagen agreement: 'below 2005 levels by 2020, and significantly below 1990 levels by 2050'. Furthermore, the EESC agrees with the Commission, that if at the end of 2010 there is no agreement from the International Civil Aviation Organisation and from the IMO on emission targets, emissions from international aviation and maritime transport should be counted towards national totals under the Copenhagen agreement. The EESC reiterates that the application of emission trading schemes is considerably more complicated in maritime transport than in aviation and that an alternative global scheme could prove to be much more effective than an EU scheme or other regional scheme (see also the EESC Opinion on *The Greening of Maritime Transport and Inland Waterway Transport*).

5. Emissions from land-use and from land-use changes

5.1. Changing land use – largely deforestation, peat burning and the like is responsible for about 17,4 % of current global emissions.

5.2. In view of this large fraction of emissions from land-use changes, the EESC reiterates the need to reduce gross tropical deforestation by at least 50 % compared to current levels by 2020 (see EESC Opinion on *Addressing the challenges of deforestation and forest degradation to tackle climate change and biodiversity loss*).

5.3. At the same time, sustainable management of forests, grasslands, wetlands and peatlands in developed countries in the first instance (and later in developing countries) must be ensured in order to maintain the sequestration of CO₂ also in these countries. All nations should take measures to keep deforestation in check.

5.4. Europe should set a good example in promoting the preservation of forests through for example requiring certification of sustainably managed timber products.

5.5. The agricultural sector as it relates to climate change is covered in a separate EESC Opinion ⁽¹⁾ and is therefore not further elaborated upon in this Opinion.

6. Sectoral approaches in the context of climate change negotiations

6.1. The EESC proposes that consideration be given to the role of a sectoral approach as complementary to the climate negotiations. For example, similar to content of a Report from a Working Group for the Kyoto Protocol, voluntary/mandatory, quantified/qualified targets in specific sectors (for example: electricity; iron and steel; cement) could be agreed, in addition to national emission targets. The sectoral approach is further described in relation to mitigation options for a global climate change agreement.

7. Fluorinated gases

7.1. The EESC agrees with the proposed targeting of several new industrial chemicals for inclusion in a future climate treaty. One such compound, nitrogen trifluoride (NF₃), is a component commonly used in making PCs and LCD flat-screen televisions, and is roughly 17 000 times more potent than CO₂. Hydrofluorocarbons (HFCs) for example are not controlled by the Montreal convention, and are used as replacements for HCFCs. Other new chemicals under consideration are new types of perfluorocarbons (PFCs) and HFCs, trifluoromethyl sulphur pentafluoride (SF₅CF₃), fluorinated ethers, perfluoropolyethers (PFPEs) and hydrocarbons (HCs). The chemical industry is encouraged to develop substitutes for new industrial gases with high global warming potential.

7.2. Targets

7.2.1. The EESC endorses the Commissions support of an international arrangement to add the following fluorinated gases (F-gases) to the Kyoto Protocol 'basket': new types of HFCs and PFCs; trifluoromethyl sulphur pentafluoride, fluorinated ethers, PFPEs and HCs, leading to a cap and subsequent phase-down.

⁽¹⁾ OJ C 27, 3.2.2009, p. 59-65.

7.2.2. The EESC recommends that monitoring and verification of new F-gases' concentration levels should constitute an important component of international agreements.

8. Mitigation Measures

8.1. The EESC is of the firm view that national governments should strongly promote low-cost reductions in energy use such as energy efficiency measures in buildings - through regulation and standard-setting. Legislation can be introduced to promote waste reduction and recycling. Subsidies can be offered to encourage people to retrofit their homes with solar panels, increase insulation in their homes and so on.

8.2. Renewable sources of energy should be supported. For example: subsidies should be provided to erect wind turbines for power generation, with facility to feed into the electrical grid; use of biogas generators from a mixture of grass, vegetation, rye etc – then fermented to produce methane, which is then fed into the grid, as achieved in Germany under their Renewable Energy Sources Law, which has resulted in more than 14 % of the country's electricity coming from renewable sources.

8.3. Low carbon and green technologies need to be fostered. Developed and developing countries are encouraged to take the path of innovation and to move to new energy efficient technologies where feasible.

8.4. Improvement of existing and new power generation plants is required through a number of measures such as: switch to low carbon fuels; increasing the proportion of renewable or nuclear energy; use of more efficient power plant technologies.

8.5. The EESC advocates that initial investments in less developing countries should be directed towards the purchase of best available technologies available locally or adapted to local conditions.

9. Adaptation Measures

9.1. The Bali Action Plan recognises that adaptation will need to be explicitly included in a post-2012 climate change agreement. Adaptation to climate change, whereby society increases its capacity to cope with climate change impacts has recently been highlighted at an International Scientific Congress on Climate Change. On April 1, 2009, an EC White Paper (COM (2009)147 final), on Adaptation Measures was presented, through which the EU and its member states can better prepare for the impacts of Climate Change.

9.2. The EESC is in support of the Commission for establishing a framework for adaptation within the Copenhagen agreement, which should include the following elements:

- there should be a strategic approach to adaptation,

- adaptation needs to be mainstreamed into EU key policy areas,

- adaptation must take place at local and regional level,

- support of adaptation in Least Developed Countries and Small Island Developing States through the Global Climate Change Alliance and also under the UNFCCC, via the Framework for Action on Adaptation.

9.3. It is vital for the success of adaptation policies that the distribution of burdens are equitable and that impacts on jobs and on the quality of life of low-income groups are taken into account. The social dimension of adaptation policies also needs to be pursued, and all social partners need to be involved.

10. Global Research, technology Development and Demonstration

10.1. The EESC is of the firm view that funding for global (and regional) Research, technology Development and Demonstration (RD&D) must be provided and is urgently needed. RD&D schemes are recommended for the accelerated development, technical improvement and market introduction of renewable energy sources and combined heat and power production for electricity and power plants.

10.1.1. The EESC is in support of the Commission's position (SEC (2008) 3104 final) to implement integrated climate change research under the current 7th Research Framework Programme (FP7). The EESC recommends a closer partnership between the EC and the IPCC, in FP7 and related and future Research programmes.

10.1.2. The EESC supports a major boost to research, development and demonstration of low-carbon and energy efficiency technologies identified by the International Energy Agency, as well as those technologies identified under the EU's Strategic Energy Technology (SET) Plan in order to kick-start and accelerate deployment of strategically important low-carbon and energy efficiency technologies.

10.1.3. The whole area of intellectual property protection and developing countries has changed significantly since 1995, when the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPs) became effective. Under the TRIPs Agreement, developing countries undertake obligations to respect foreign patents. Since the introduction of TRIPs, companies are finding it more worthwhile to file patent applications in developing countries.

10.2. The EESC supports the Commission towards the following objectives:

- to undergo research on Impacts of Climate Change, Adaptation and other Mitigation options at national and international level;

- to promote international science and technology cooperation for all climate-related research including low-carbon technologies, and renewable energy sources across all sectors;
- to at least double energy-related RD&D by 2012 and increase it to four times its current level by 2020, with a significant shift in emphasis towards low-carbon technologies, especially renewable energy sources.

11. Financial Resources

11.1. A comprehensive Copenhagen agreement must be underpinned by adequate financial resources. Financial proposals by developed countries will have to be put on the table very soon in order to motivate and move developing countries to take action as well. Financing is, together with targets agreed by developed and developing countries, the key factor for success and failure of Copenhagen.

11.2. The commitment of the EU to the Copenhagen Conference seems at the best to be lukewarm, evidenced by the fact that the EU Heads of State at the June 18-19, 2009 meeting postponed crucial decisions on climate change financing, apart from stating that the principles of ability to pay and responsibility for emissions should serve as a basis for climate funding.

11.3. Since the European Council has made no decision on funding so far, the EESC is very concerned on the lack of urgency in this regard. It is very worrying that, so far, developed countries, including the EU, are not making sufficient financial pledges or commitments.

11.4. Investment in areas such as energy efficiency technologies and a broad portfolio of low-carbon technologies will promote economic growth and enhance energy savings.

11.5. Finance for developing country mitigation should come from domestic and external sources, the global carbon market and contributions from developed countries:

- **Domestic:** most investments until 2020 and reductions in energy use should come at relatively low cost – such as energy efficiency measures both in the home, in buildings and in the private sector; and government environment and energy policies can leverage this financial investment. In addition, other potential funding sources could be through the use of grants and loans under national, international and bi-lateral programmes.
- **External:** for mitigation action that goes beyond low cost/short term net benefit options and that require financing beyond the domestic capabilities of the respective developing country, support must come from the full range of sources and innovative financing mechanisms, including

public funds and international carbon crediting mechanisms. The EESC supports the Commission's effort to build an OECD-wide carbon market by 2015, by linking the EU ETS with other comparable cap-and-trade systems and an even broader market by 2020.

11.6. The European Council has underlined the need to explore in more detail international financing mechanisms. The subject will be on the agenda of the October European Council again. The EESC is of the strong opinion that this is leaving matters very late, given the holding of the Copenhagen Conference in December.

11.7. The EESC is in support of the Commission's view that developed countries should contribute via public funding and through the use of carbon crediting mechanisms. Public financial contributions should be comparable and be based on the 'polluter-pays principle' and each country's economic capability. The scale of contributions should be negotiated and form an integral part of the Agreement:

- (i) determining the annual financial commitment of developed countries on the basis of an agreed formula (based on a combination of the polluter pays principle and its ability to pay);
- (ii) setting aside a certain percentage of the allowed emissions from each developed country. These emissions are then auctioned to governments at an agreed international level;

11.7.1. The EESC particularly welcomes the Mexico proposal that every country in the world should contribute to a central pot, with the size of contributions based on a formula that takes account of each country's population, GDP and level of GHG emissions. The central pot would then be divided among all countries according to their needs for cutting emissions, building green technologies and adapting to impacts from climate change.

11.8. The EESC

- endorses the position of the Commission to further develop cap-and-trade systems among developed countries in the first instance and then, over time, among major developing countries;
- is also supportive of reforming the Clean Development Mechanism (CDM), which because of the project-specific nature of CDM has led to high transaction and administrative costs. A move from the current project based CDM to sectoral CDM is a possible way forward. Another route is a technology development and transfer CDM, which fulfils the requirements of the Bali Action Plan.

11.9. Projected costs to reach the long-term goals by 2050 are not small – of order 2 % of current GDP, but costs will be appreciably higher if decisive action is not taken.

12. Public Awareness and Outreach

12.1. It is important that the general public be made more aware of the seriousness of the present global warming situation and the consequences thereof, if no action is taken quickly regarding climate change.

12.2. Citizens need to be encouraged and incentivised to play their part through using greener forms of energy, purchasing more energy efficient goods and services and by reducing their carbon footprint.

12.3. The EESC is of the opinion that countries should, through media outlets, advertise to their citizens the urgent need for action and the need to conserve energy and provide alternate (non fossil-fuel) energy sources, thus helping in the diminution of damaging GHGs. Climate change issues should also be mediated in primary and secondary level schools, through curriculae fora, albeit a longer term strategy.

The EESC is supportive of the need of a pro-active education policy, to promote better understanding of climate change impacts, proposed by the Commission.

12.4. The EESC strongly believes that the European Council should encourage Member States, within their own national domains to support and facilitate the involvement of local and regional governments, business, trade unions and other representatives of organised civil society in promoting climate change strategies and initiatives.

12.5. The EESC also believes that local, regional and national authorities should cooperate more closely to help build a solid knowledge base on impacts and consequences of climate change, through mobilisation of their citizens and the private sector. There is, for example, a commitment by some 500 municipalities to reduce their CO₂ emissions by more than 20 % by 2020 within the framework of the EU Initiative Covenant of Mayors.

13. Review clause

13.1. The EESC underlines the need to include periodic review of overall progress and the adequacy of commitments and actions as an integral part of the agreement, including a comprehensive review in 2015.

Brussels, 5 November 2009.

The President
of the European Economic and Social Committee
Mario SEPI
