

# EU Climate policy for 2030 and expectations for COP24

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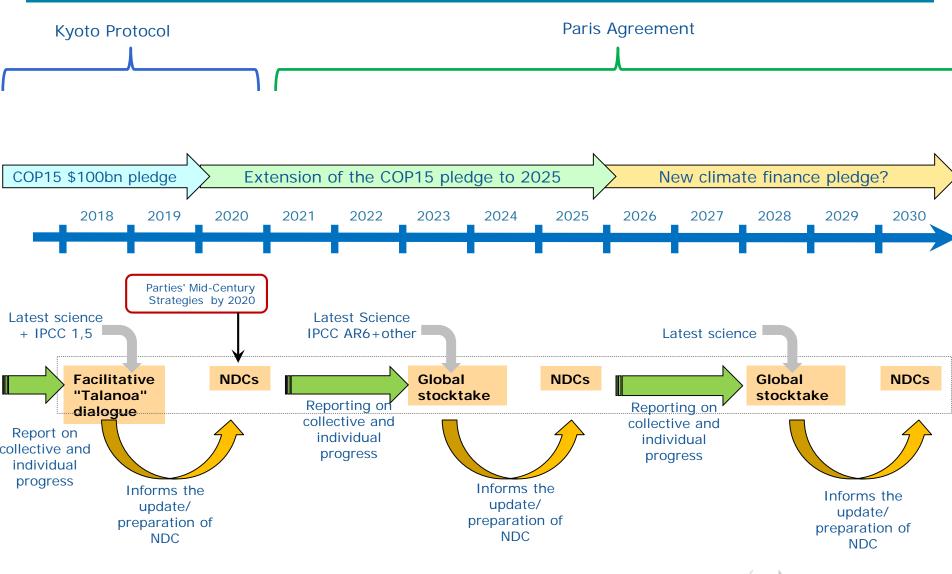
Vienna, 10 October, 2018

Climate Action



# Part I – Main milestones and challenges ahead of COP 24

#### TACKLING GLOBAL WARMING - THE PARIS AMBITION CYCLE





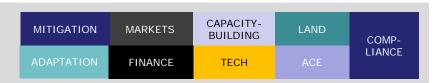
## Implementing the Paris Agreement

Transparency rules Pre-Paris Post-Paris

5-yearly ambition cycle

2023+ Global Stocktake

Multilateral climate regime





### The Paris Rulebook (2): Political Complications

#### EU negotiating objectives, a rulebook that is:

- consistent with what was agreed in Paris
- > robust
- > applicable to all Parties with flexibility based on capacity
- tailored to mitigation, support and adaptation
- sufficiently detailed for the Paris Agreement to be operational
- provide for a continuous improvement over time

#### Many Parties agree with EU, but some:

- resist robust rules to protect their sovereignty
- hold on to "bifurcation" between developed and developing Parties
- want equivalent rules for tracking finance as for tracking emissions
- require more resources to build their capacity to implement rules



## Key contentious issues so far

Paris framework leaves space for (re)interpretation around

#### Differentiation

- Efforts to stress
   distinctions between
   developed and
   developing countries, e.g.
   NDCs, MRV and finance
- Developed countries remain bound by 'leadership'

#### 'scope of NDCs'

Continued push to blur mitigation and adaptation within NDCs, as well as to leverage more predictable finance numbers from developed countries

#### Rules for Transparency

- Emerging economies keen to deflect increasing political pressure
- Struggling countries keen to ensure flexibility

...and those issues that marked this session

#### **Process**

Specific groups pushing for their submissions to be taken as **basis for negotiations**, instead of text that had evolved since previous sessions

#### 'Rules' for finance

Some developing country groups pushing for an equivalent robustness between rules to track action and rules to track finance, though unwilling to discuss the 'big picture' of finance.

#### Science / Ambition

**Some countries** preparing to use procedural rules to blunt the political impact of the **IPCC 1.5°C report**.



#### Climate Finance: The Grease and the Fuel

#### Political challenges:

- ➤ **Scale:** USD 100bn pledged (Paris) v. "trillions" necessary (EU provides EUR 20 billion in 2016/45% of global public climate finance).
- Sources: public, grant-based finance v. private sector investment
- Eligibility: poor and vulnerable countries v. middle-income emitters
- Predictability: individual targets v. collective goals; the transparency framework



## The Facilitative "Talanoa" Dialogue 2018

#### The Origins: Paris Agreement - Accompanying decisions 1/CP.21

20. Decides to convene a facilitative dialogue among Parties in 2018 to take stock of the collective efforts of Parties in relation to progress towards the long-term goal referred to in Article 4, paragraph 1, of the Agreement and to inform the preparation of nationally determined contributions pursuant to Article 4, paragraph 8, of the Agreement;

21. Invites the Intergovernmental Panel on Climate Change to provide a special report in 2018 on the impacts of global warming of 1.5 °C above pre-industrial levels and related global greenhouse gas emission pathways;

#### **Guiding Questions:**

Where are we?
Where do we want to be?
How do we get there?



### The Facilitative "Talanoa" Dialogue 2018

- First scheduled UNFCCC event creating positive political momentum and a strong sense of common resolve and determination
- Parties and Non-Party Stakeholders
  - □ took stock of their collective efforts in relation to progress made since the Paris Agreement
  - □ shared individual stories for how to promote more ambitious climate action now and in their next round of national climate commitments



#### What's next:

Political phase in COP24: to be informed by IPCC 1.5 report; unclear format



### The real world significance

**Credibility check:** what have countries done since Paris? National follow-up on NDCs is the most important and necessary expression of ambition.



Technical Phase

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Political Phase

**Reality check:** Reaching the 1,5° C\* will require immediate, radical and systemic change in behaviour and consumer patterns globally. Such change requires commitment by all countries.



Validity check: can more be done in the NDCs?



Then what?

\* without 1st going to 2 degrees



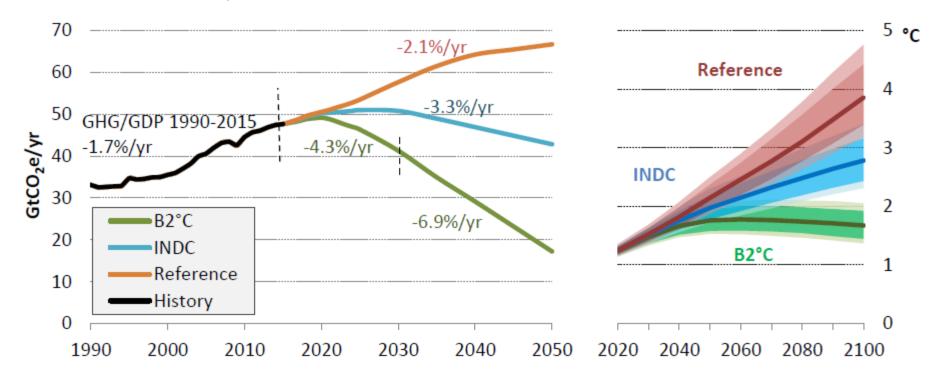
## EU for Talanoa event – key messages

- Global efforts fell short from adequate and called for serious response from governments globally
- Need to move towards clean innovation to ensure growth
- NGOs needed to push for ambition, take initiative for concrete action and success stories
- Need for Long-term visions to rally business and citizens
- Real economy requires regulatory signals, predictability and enabling environments
- Boosting clean energy transition needs more focus on social fairness, new skills and financing for real initiatives on the ground
- Support for social partners and strategic partnerships should be a clear political priority for the EU
- Being responsible for some 8% of today's global emissions, the EU will need to focus efforts to help others accelerate their action



## IPCC Special report on 1.5°C

- To inform Talanoa Dialogue, approval in IPCC plenary first week of October
- Providing insights on strengthening the global response.
- Sections: Emission pathways, Impacts, Mitigation & Adaptation measures, Links to Sustainable Development

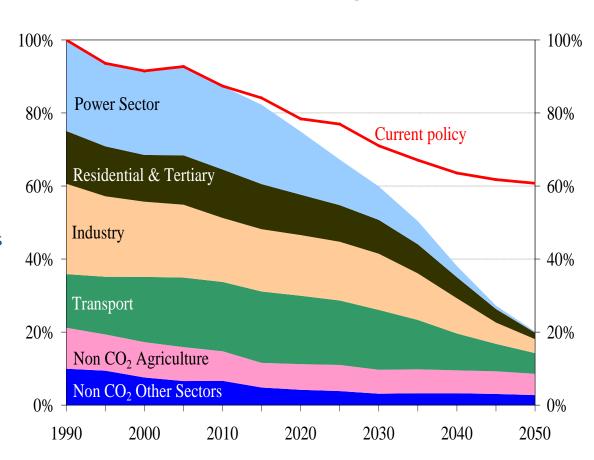


Source: POLES, GECO Report, JRC



## The EU Mid Century Strategy: Revisiting the 2050 Low Carbon Economy Roadmap

- By 2020 under Paris Agreement
- Commission to prepare analytical underpinning
- 2050 Roadmap: reduce 80% domestically to achieve well below 2°C, with existing technologies but sectoral differences.
- Strong driver for sectoral roadmaps (e.g. industry)
- Mid Century Strategy to revisit analysis, important topics: RES, EE, electrification, other carbon neutral energy carriers, industrial innovation, agriculture & land use, adaptation, just transition.





## The road to Katowice (COP24)

- ➤ Co-chairs will further **streamline** the current **informal notes** coming from the different agenda items and develop **examples** of how Parties could progress towards an **agreed basis of negotiations** (by 1 August)
- ➤ Additional session in 1<sup>st</sup> week of September in Bangkok focusing only on Paris Work Programme agenda items
- ➤ Continued engagement through informal processes at the technical, and ministerial level (Petersberg Dialogue, MoCA, UNGA, Cartagena Dialogue)
- Critical moments at COP24: pre2020 stocktake, finance ministerial, Talanoa political phase

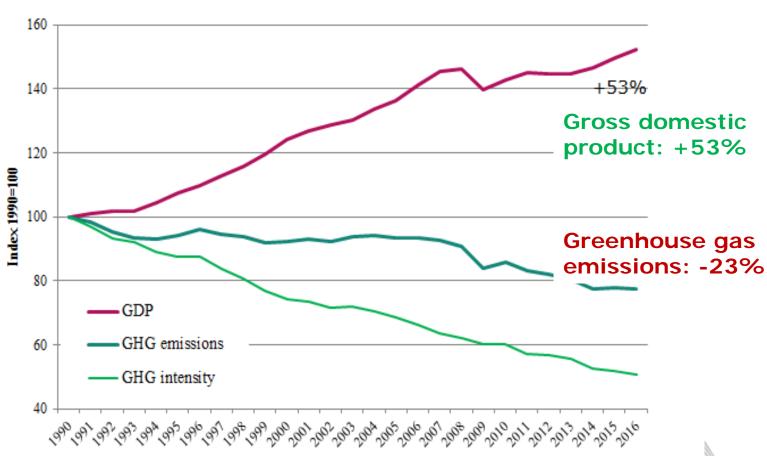




## Part II - EU Action

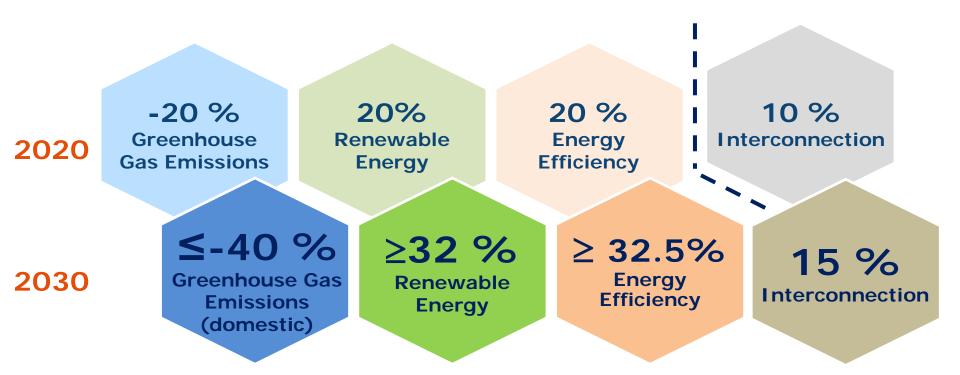


## The EU has a track record in decoupling emissions from growth





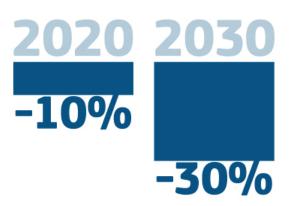
## 2030 Climate and Energy Targets



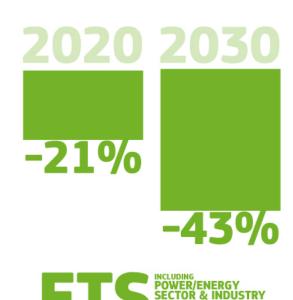


#### **EMISSION REDUCTION TARGETS ETS AND NON-ETS**

EMISSION REDUCTIONS IN ETS AND NON-ETS COMPARED TO 2005









## Regulatory steps

- Successor to Effort Sharing Decision
- Land use, land-use change and forestry (both politically agreed in Dec. 2017)
- European Strategy for low-emission mobility
- Energy efficiency (35% binding headline target, 30% non-binding target)
- Electricity market design
- Renewables (35% binding headline target, 27% binding at EU level)
- Integrated climate and energy governance
- Emissions Trading System-revised Directive (adopted by the Parliament)
- 3<sup>rd</sup> Mobility Package further proposals on transport (heavy-duty vehicles MRV, CO2 standards for cars and vans)
- and more coming up this year on sustainable finance, adaptation strategy, post-2020 multiannual financial framework, Common Agriculture Policy





8 April 2018

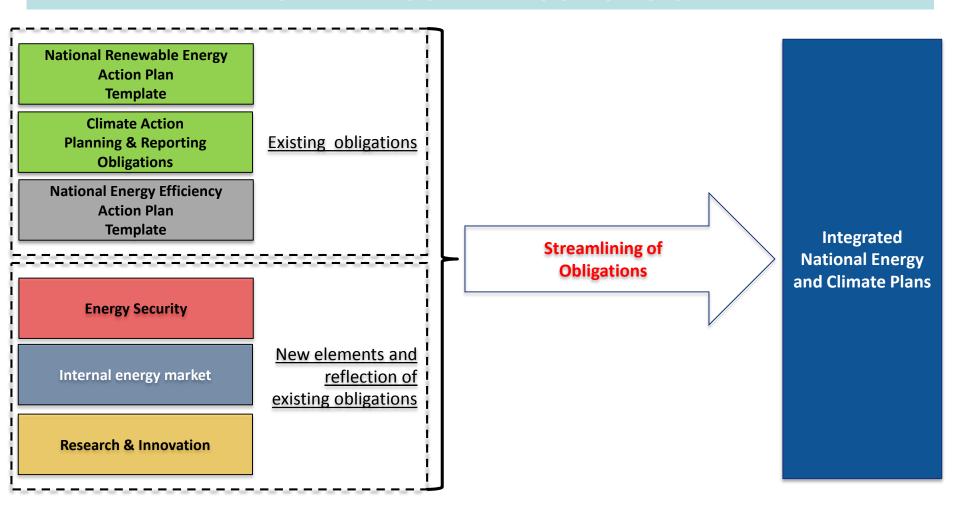
### Other sector-specific Regulations

- CO2 emission standards for new cars and new vans
  - 15% reduction by 2025 and 30% by 2030 (on top of 2021)
- C02 emission standards for lorries & buses : in preparation
- Regulation on hydrofluorocarbons and fluorinated gases
  - An EU-wide quota system will decrease emission of F-gases by another 80% by 2030 (based on 2015)



## Integrated National Energy and Climate Plans

#### STREAMLINING OF PLANNING OBLIGATIONS



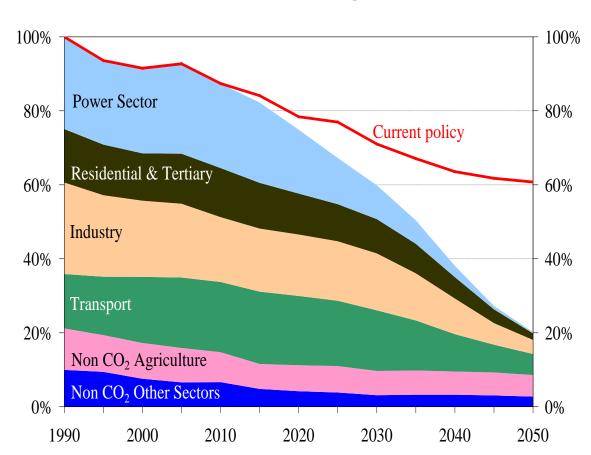
#### EU on track to meet its 2020 RES target



Figure 1: Renewable energy shares in the EU vs. Renewable Energy Directive (RED) and National Renewable Energy Action Plan (NREAP) trajectories (based on EUROSTAT, Öko-Institut)

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## Climate objectives are also interlinked with all other policy areas until 2030

