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Energy for a Changing World

International climate policy post-Copenhagen: Acting now to reinvigorate global action on climate change

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What happened in Copenhagen ?

Unprecedented manifestation of global concern

- ★ No of registered participants up to 50,000
- ★ > 100 heads of state, most of EU and G20, Brazil
- ★ Accord negotiated by leaders of 29 countries during 24 hrs
- ★ Heads of state negotiate line-by-line
- ★ Proof of willingness to act!!

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The Copenhagen Accord

- Limit to +2℃,
  - - 50 % global emissions reductions by 2050 compared to 1990
- Mitigation
- Adaptation
- Technology
- Mobilising finance for climate change
- Halting deforestation
- Monitoring, reporting and verification

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… the silver lining!

- ★ Many positive elements included
- ★ All major emitters (US, China, India, Brazil, ..) onboard for the first time
- ★ Some 120 Parties with >85% of global emission associate with the CPH Accord
- ★ Involvement of the business community
- ★ Good basis for legally binding deal in South Africa and meaningful progress in Cancun

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How do we go forward from here?

★ **Internationally**

- Overarching objective is environmental integrity (2 ºC)
- The EU's primary objective remains to reach a robust, legally-binding agreement under the UNFCCC
- The EU supports Kyoto …
- … but Kyoto alone cannot deliver the 2 ºC objective
- Ready for deal in Cancun or South Africa

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Challenges now

- **Clarify and assess the overall ambition level of pledges** put forward so far
- **Deliver on fast start finance - the EU pledge of € 2.4 billion yearly 2010-2012**
- **Provide basis for long-term finance**
  - US$ 100 billion (€ 73 bn) per year by 2020
- **Need to build a robust and transparent MRV system** (measurement, reporting and verification)

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Domestic action

★ Leadership starts at home

- Become the most climate friendly region in the world
- Develop a low carbon development strategy to reduce emissions by 80-90% by 2050
- 2020 goals:
  - » 1) reduce emissions by 20% (1990 levels)
  - » 2) improve energy efficiency by 20%
  - » 3) increase share of renewables to 20%
- - 30% cut still a possibility, if international conditions right

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Option of moving to 30%

- ★ Reduction of 30% would make EU path consistent with 2 ˚C
- ★ Total cost estimated at 81 billion Euro, 0.54% of GDP
- ★ international conditions for move to 30% are not met ➔ needs continued work with our international partners
- ★ carbon leakage remains an issue

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Options for addressing leakage

- ★ **Maintain current measures: free allowances, CDM**
- ★ **Inclusion of importers in ETS; possible but not ideal**
- ★ **Other options : increase environmental integrity of international credits**
  - ↳ **develop Sectoral crediting (pilot scheme)**
- ★ **Greater room for continued CDM use in Least Developed Countries (LDCs).**

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Thank you!