EU Climate policy for 2030 and expectations for COP24

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Part I – Main milestones and challenges ahead of COP 24
TACKLING GLOBAL WARMING – THE PARIS AMBITION CYCLE

Kyoto Protocol

Paris Agreement

COP15 $100bn pledge

Extension of the COP15 pledge to 2025

New climate finance pledge?

2018 2019 2020 2021 2022 2023 2024 2025 2026 2027 2028 2029 2030

Facilitative "Talanoa" dialogue

Global stocktake

NDCs

Report on collective and individual progress

Informs the update/ preparation of NDC

Latest science + IPCC 1.5

Parties' Mid-Century Strategies by 2020

Latest Science IPCC AR6+other

Latest science

Report on collective and individual progress

Informs the update/ preparation of NDC

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European Commission
Implementing the Paris Agreement

**Transparency rules**
- Pre-Paris
- Post-Paris

**5-yearly ambition cycle**
- 2023+ Global Stocktake

**Multilateral climate regime**

![Diagram showing categories: Mitigation, Markets, Capacity-Building, Land, Compliance, Adaptation, Finance, Tech, ACCE]
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** // **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.

Source: PRIMES model suite
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 1st 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

Gross domestic product: +53%

Greenhouse gas emissions: -23%
2030 Climate and Energy Targets

- 20% Greenhouse Gas Emissions
- ≥32% Renewable Energy
- ≥32.5% Energy Efficiency
- 10% Interconnection
- ≤-40% Greenhouse Gas Emissions (domestic)
EMISSION REDUCTION TARGETS ETS AND NON-ETS

EMISSION REDUCTIONS IN ETS AND NON-ETS COMPARED TO 2005

**NON-ETS**
- **2020**: -10%
- **2030**: -30%

**ETS**
- **2020**: -21%
- **2030**: -43%

Including road transport, housing, agriculture, etc.

Including power/energy sector & industry

European Commission
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


- 3rd 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
- 14 May 2018
- June 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)

- **CO2 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

Existing obligations

Energy Security

Internal energy market

Research & Innovation

Streamlining of Obligations

Integrated National Energy and Climate Plans
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)
The EU Mid Century Strategy: Revisiting the 2050 Low Carbon Economy Roadmap

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Source: PRIMES model suite
Climate objectives are also interlinked with all other policy areas until 2030
Thank you!
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