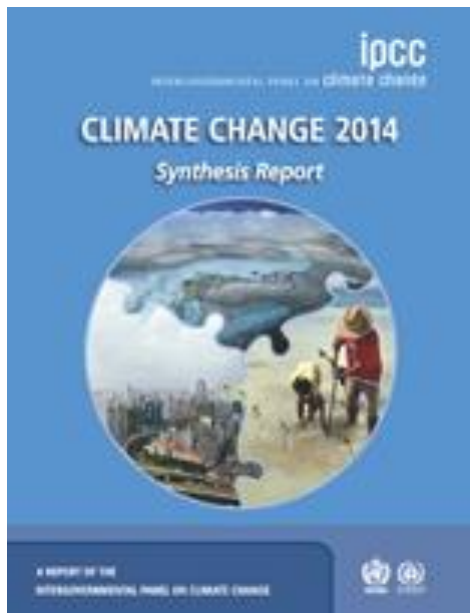




# The EU Climate and Energy framework

Towards a Paris agreement

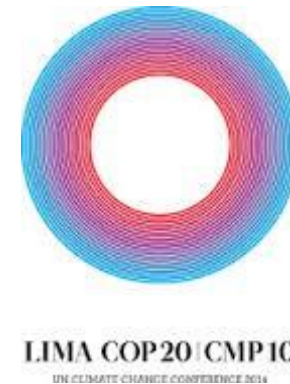
## The latest climate science



### IPPC 5<sup>th</sup> Assessment Report – Key findings:

- Warming of the climate system is unequivocal
- Human influence on the climate system is clear
- Each of the last three decades has been successively warmer at the Earth's surface than any preceding decade since 1850
- Continued emissions of greenhouse gases will cause further warming and changes in all components of the climate system.
- Limiting climate change would require substantial and sustained reductions in greenhouse gas emissions which, together with adaptation, can limit climate change risks.

## Negotiations are progressing



2012

- **Doha Climate Gateway set out timetable for reaching a post-2020 agreement**
- **Kyoto Protocol 2<sup>nd</sup> commitment period agreed**

2013

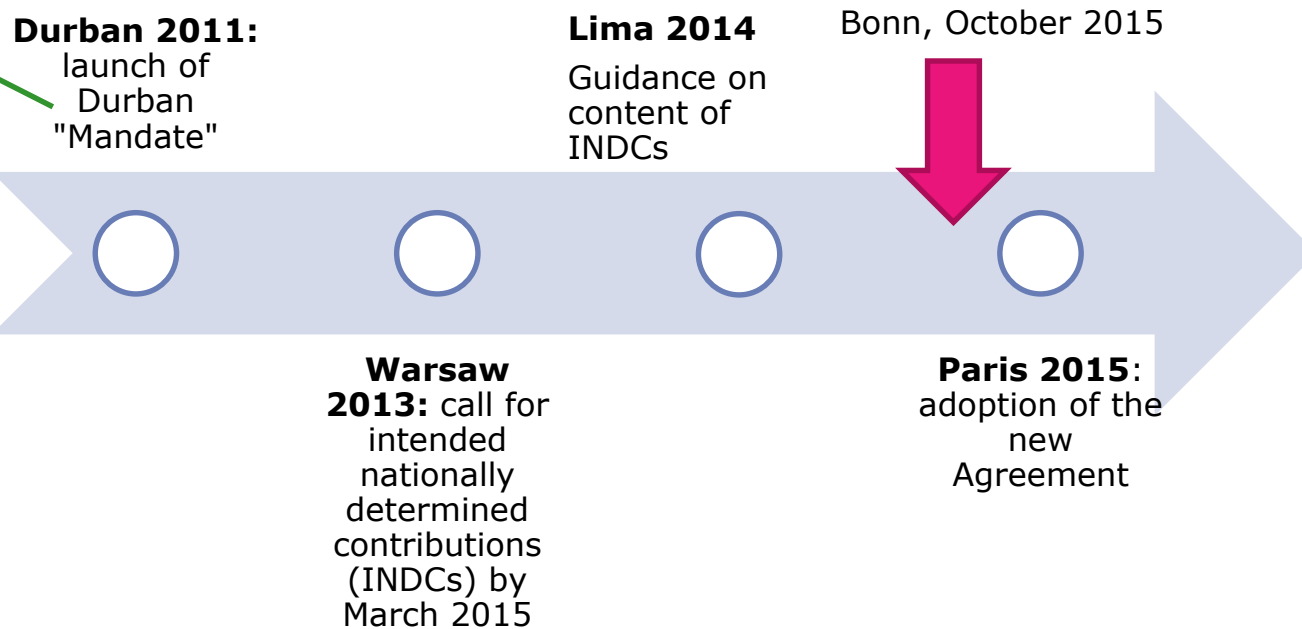
- **Agreement that INDCs should be submitted well in advance of Paris – and by Q1 2015 for those in a position to do so.**

2014

- **Elements of Paris agreement elaborated.**
- **Developed and developing countries pledged to Green Climate Fund**

# Towards Paris

A new international climate agreement applicable to all to keep global average temperature increase below 2°C



## The next few months are crucial

- Limited negotiating days left – political will must be translated into progress in negotiations.
- INDCs from as many countries as possible should be submitted before Paris.
- Paris will be a test of global leadership, and of effective multilateralism.
- Citizens, businesses and investors are waiting for a strong signal of our long-term intent.



## Disconnect between political and negotiating levels remains – and must be resolved

**Negotiators  
(final  
technical  
session 19-  
24 October)**

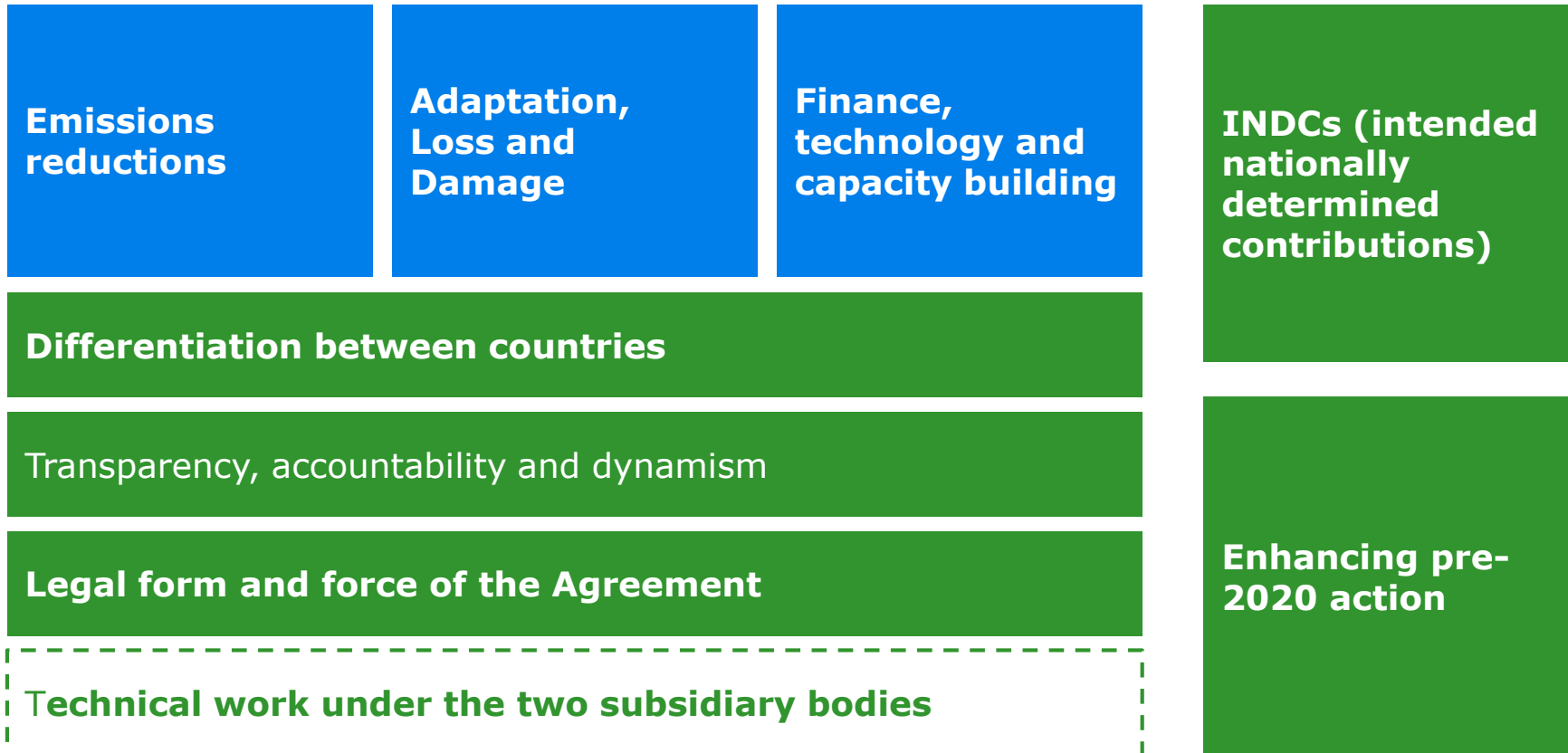
- **September session saw substantive discussions** on the basis of the co-Chairs' 'tool' – **some new common ground** emerged
- Request for co-Chairs to produce a **new 'basis' non-paper**
- Pre-2020 action, INDCs also discussed



**Ministers,  
Leaders**

- **Informal ministerials in Paris; Pacific Islands Forum; Major Economies Forum; Petersberg Dialogue**
- **G7 and G20 Summits**
- **EU Summits, UNGA *et al.*, Lima IMF/WB**

# Overview of negotiating landscape



# What might a robust agreement look like? A potential blueprint for tackling global climate change beyond 2020

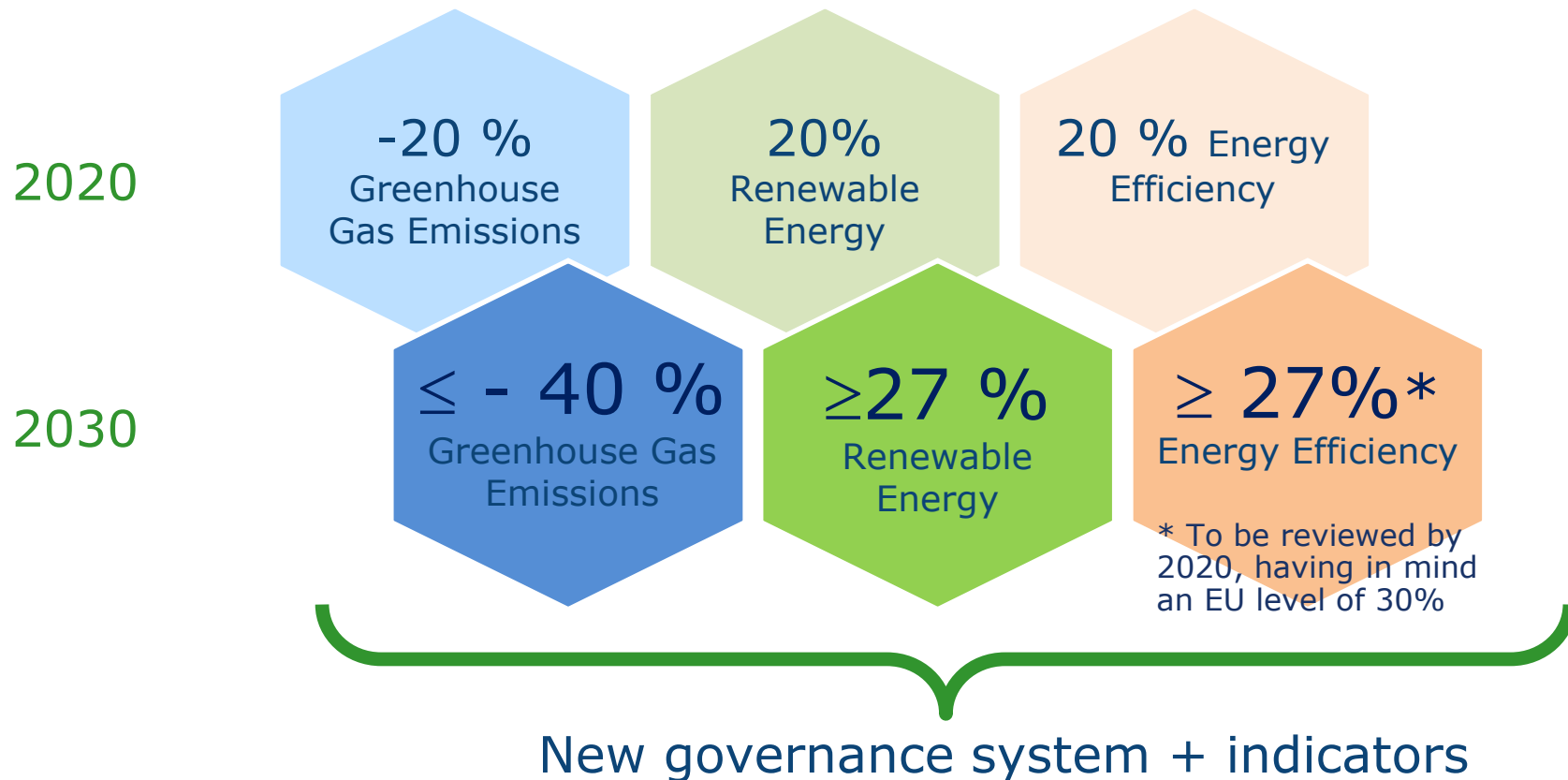
- Long term goal
- Fair, ambitious and legally binding mitigation commitments for all Parties
- Dynamism – 5-yearly reviews to increase ambition
- Robust common rules for transparency and accountability
- Climate resilient sustainable development
- Efficient and effective implementation and cooperation



**The Paris Protocol**



# 2030 Framework for Climate and Energy: the basis for the EU INDC



# Ambitious target but with large benefits

*A joined-up approach to 2030 helps*

- **ensure regulatory certainty for investors**
- **coordinate EU countries' efforts**

*Helps drive progress towards a **low-carbon economy** and build an energy system that*

- **ensures affordable energy for all consumers,**
- **increases the security of the EU's energy supplies,**
- **reduces our dependence on energy imports and**
- **creates new opportunities for growth and jobs.**

*It also brings **environmental and health benefits** – e.g. through reduced air pollution.*

# Investments needed in the EU

Average **annual additional investments** of **€38 billion** for the EU 2011-30

**Fuel savings** will to a large extent compensate for these  
More than half of the investments are needed in the **residential and tertiary sectors**

Lower-income countries need to make relatively larger efforts per GDP – but measures to enhance fairness and solidarity while ensuring overall efficiency in place between countries

**Energy system costs** do not differ substantially from the costs of renewing an ageing energy system, necessary in any case

Total cost of the energy system in 2030 projected to **increase by 0.15%** if targets are met cost-effectively

Overall there is a **shift** from operational costs (fuel) to **capital costs (investments)**



## EU International cooperation: delivering on finance commitments

The EU is a **leader in the provision of climate finance** for developing countries – over \$12bn in 2013 alone to support mitigation and adaptation

*At least **20 per cent of the EU budget in the 2014-2020 period will be spent on climate-related projects and policies**, in the EU and externally. EU development cooperation will contribute to achieving the 20 per cent overall commitment, with **an estimated €14bn from this budget for climate spending in developing countries in the period 2014-2020.***

**\$4.6bn from EU Member States** to the Green Climate Fund in addition to bilateral and multilateral funding, and a commitment to scale up private finance too.

EU-funded Global Climate Change Alliance supports **51 projects in 38 countries**



*Thank you for your attention*