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Climate Change Special

Issue 9

Time is of the essence

By David Baldock (Executive Director of IEEP) and Jason Anderson (Head of the Climate Team)

The popular and political interest in grappling with climate change is at an all-time high. But with every new measurement of polar ice sheets more alarming than the last, the problem seems increasingly more serious. Consequently, the pressure is on policymakers to agree actions needed to avoid the worst of the damage.

The new package of proposed climate and energy legislation from the European Commission therefore needed to break new ground – and earn the epithet 'historic' bestowed on it by Commission officials.

Many of us could find fault with aspects of the package, in the realm of biofuels for example, but it would indeed be historic if the headline actions – the so-called 20-20-20 goals – were to be achieved (and more so the 30% reduction proposed if there is an international agreement). It would nullify the notion, popular across the Atlantic, that Europe's efforts are easily exaggerated, resting too heavily on the twin historical accidents of the British dash to gas and German reunification.

But success would be about more than climate policy. It would require both speed and breadth of agreement in areas that touch on issues of national sovereignty and the role of the European Union. Setting demanding and binding renewable energy targets (with only a qualified majority vote, no less), ceding most power over allocation of carbon trading allowances to the Commission – these are bold moves.

We must hope that governments curtail their reservations and pursuit of national interests in the cause of a decarbonised future and a coherent set of legislation. It is unlikely that there will be a greater challenge on the environment agenda in 2008. Given the need for action, and the way the EU has profiled itself as a leader internationally, holding up climate policy over internal political issues would be ironic indeed. Fortunately, the stars seem to be aligning, and it may be that by the end of the year we have many of the policy tools in place to start tackling climate change in earnest.





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1. Carbon Dioxide Capture and Storage: moving beyond technical potential

To help the planet avoid greater than 2°C warming, Europe will likely need to achieve greenhouse gas emissions cuts of 60-80% by 2050. However, current projections show an increased use of coal and gas over the coming decades - an obvious conflict. One possible way of bridging this fossil-climate gap is carbon dioxide (CO2) capture and storage (CCS). IEEP has been engaged in several research efforts on CCS, focusing on approaches to regulation, public acceptance, and environmental management.

The 6th Research Framework Programme project 'ACCSEPT' (Acceptance of CCS, Economics, Policy and Technology) concludes that because the risk of climate change due to fossil fuel emissions is larger and far more difficult to manage than the risk of leakage from CO2 storage, CCS should be developed quickly, where we can learn by doing it on a large enough scale to be relevant to mitigation.

However, there are important factors to bear in mind: firstly, with or without CCS in the mitigation portfolio, renewable energy and energy efficiency must expand at tremendous rates over the coming decades. Secondly, moving forward quickly with CCS is not a call to ignore environmental risks. Rather, the already-identified major risks should be carefully considered to guide decisions about site location and exploitation, and ongoing monitoring and evaluation should be robust enough to draw further conclusions.

Thirdly, management decisions about storage are as important as, if not more important than, physical risks. The fact that geological sites can be found and managed in such a way as to all but rule out leakage does not mean they will be found and managed in that way if the proper guidelines, incentives and oversight are not in place.

Finally, defining and communicating risk is difficult - it is imperative to put CCS communications to the test with real people and real projects as they emerge, rather than providing detached specialist opinion.

An important regulatory element will be environmental impact assessment (EIA). IEEP, together with partners IEMA and BGS, have drafted indicative EIA guidelines for CCS on behalf of the Environment Agency (EA) of England and Wales. More information on this project, as well as ACCSEPT and other efforts, can be found on the IEEP website.

Contact: Jason Anderson

2. The Bioenergy Dilemma

Converting plant biomass to energy is not a new concept; we perform this everyday when we eat our breakfast, lunch or dinner. We are now under huge pressure to make use of this resource not only to power ourselves but our homes and cars in order to reduce dependence on fossil fuels and emissions of greenhouse gases. But how far can we go towards achieving these aims without impacting on the more fundamental provision of food, not just in Europe but across the world? Given that land is a finite resource, how do we maximise the benefit we gain from using biomass to power our lives, but avoid negative social and environmental impacts?

Whilst a push to increase use of renewables, as proposed in the European Commission's recent energy package, is welcomed, there are serious concerns that the transport fuel target will encourage a damaging and rapid expansion in the production of bioethanol and biodiesel for very limited greenhouse gas savings. Conclusions from work by IEEP, and many others, point to the far greater greenhouse gas savings offered by the use of biomass to produce heat and power rather than as a transport fuel. However, the new package contains no specific target for this.

Any measure to produce transport biofuels must be matched by increasingly ambitious targets for ensuring their sustainable production and monitoring their impact. Whilst the Commission does propose some criteria to encourage sustainable practices, these need to go much further and ramp up in terms of ambition over time. The development of second generation biofuels is seen by many as essential, but such fuels are by no means without their own set of challenges: they will still require a significant land take and much uncertainty remains as to when they will be market-ready. Sustainable biofuels are achievable but will require careful management and better understanding of social and environmental limits. Any support for their production must be matched by efforts to decrease consumption more generally. To continue to pour fuel into inefficient engines is simply a waste of resources.

The dilemma of how best to use biomass resources and how the multitude of increasing demands can be balanced will be a focus of research for IEEP over the coming year.

Contact: Catherine Bowyer

3. Fisheries at risk from future climate uncertainties

An increasing number of studies by the European scientific community are focussing on the impacts of climate change on the marine environment, highlighting major consequences of climate change for fish stocks including changes in their productivity and shifts in the geographic distribution of fish and marine ecosystems. These changes are expected to reduce access to livelihood opportunities and natural capital, and their consequences will need to be taken into account in future decision-making.

Firstly, decision-makers can respond by reducing CO2 emissions in the maritime sector. Fishing vessels represent a small share of European and global CO2 emissions - fishing accounts for 2.5% of EU shipping emissions, and shipping for 1.8 to 3.5% of global CO2 emissions. However, fishing activity still relies on the use of hydrofluorocarbon-based systems in onboard refrigeration, and contributes to greenhouse gas emissions through diesel consumption by ships - which are currently not subject to any policy measures.

Another key challenge for fishery policy-makers is adaptation. Keith Brander, a leading fishery scientist, highlighted recently in IEEP's El Anzuelo newsletter that it is necessary to retain adaptive flexibility in fishing society, industry and management (alternative livelihoods, different gears and species). In the future, regulations should also be robust and must be responsive to climate-induced uncertainties. Policy-makers therefore need to adjust the fishing capacity of the current fleet and focus on building resilience as well as preparing fishing communities to cope with the opportunities, challenges and potential dangers presented by climate change.

For more information on this topic, please consult the latest edition of El Anzuelo, the IEEP newsletter on fisheries and the environment, which focuses on climate change and fisheries: http://www.ieep.eu/publications/pdfs/el_anz/el_anazuelo_19.pdf

Contact: Thomas Binet and Indrani Lutchman

4. Regulation on CO2 from Cars is Launched

In December, after heated internal debate, the Commission published its proposed new Regulation requiring car makers to cut CO2 emissions from new cars by 2012.

Commissioners of the leading car producing countries (Germany, France and Italy) voiced strong objections to the proposal, and Enterprise Commissioner Verheugen even failed to turn up for the launch press conference.

The Commission has proposed an average target for each company, calculated as a function of the average weight of the cars that it sells. This is intended to give some leeway to the makers of larger cars, particularly German ones, whilst not actively encouraging them to make ever-heavier cars. Niche manufacturers will be able to apply for separate targets.

The Commission proposes fines for manufacturers which exceed their targets, rising steeply from €20 per g/km exceedance for every car sold in 2012, to €95 in 2015. Controversially, the Commission wants to keep these fines as general revenue for the EU, but some Member States including the UK are certain to object to this.

The proposal has already been criticised from all sides. NGOs see the compromise as a betrayal of the original Community target, while the car industry is unhappy with the high level of fines and warns of major damage to competitiveness. In reality both sides have had to give ground, but the outcome is a fair balance.

IEEP has a strong interest in this proposal, having led the team that advised the Commission on its design. We will continue to contribute our expertise during the intense battles that are now beginning in the Council and Parliament.

Contact: Malcolm Fergusson

5. Climate Change: A Transatlantic Perspective

Innumerable changes must be made if we are to address the threat of global warming, from technologies and consumption patterns to the way nations work together. Europe and the United States collectively contribute well over a third of global greenhouse emissions, and together have an essential role to play in taking forward the global debate on climate change. However, all too often they fail to fully understand each other's activities, or to exchange information, knowledge and experiences.

On 24 and 25 April 2008, IEEP and the US Natural Resources Defence Council (NRDC) will hold a conference in Washington to debate EU and US perspectives on: the pros and cons of emissions trading; transport solutions including efficiency standards, carbon intensity targets, cap and trade and biofuels; and differences in public perception that influence climate policy

development. The conference is the culmination of a transatlantic dialogue between civil society (primarily NGOs and academics) intended to demystify actions taken in the EU and US. The 'Transatlantic Platform for Action on the Global Environment' (T-PAGE) project, funded by the European Commission, has allowed comparison and debate about the most promising future policy solutions. Ultimately we hope to increase understanding of common challenges faced in Europe and the US, facilitating closer working and improved domestic action. The conclusions reached will be presented to the annual EU-US summit in Ljubljana this summer.

As part of this transatlantic dialogue, two teleconferences have been held involving key EU and US civil society representatives. The first meeting highlighted emissions trading, biofuels and carbon capture and storage as priorities for debate. At the second meeting, in November 2007, participants discussed these issues in detail, drawing conclusions on their usefulness and limitations. As part of T-PAGE, IEEP and NRDC have developed informative papers offering a unique and succinct comparison of EU and US approaches and debates on all three issues.

For further information on T-PAGE, the April conference or to download papers please visit: http://www.ieep.eu/projectminisites/t-page/index.php

Contact: Sirini Withana

IEEP conferences and events

In the coming months IEEP will organise or participate to the following meetings and events. If you would like to find out more, do not hesitate to contact us.

Workshop: Greening the Black Sea Synergy - Odessa, Ukraine, 5-7 February 2008

The workshop, co-organised by WWF and Hbf, will host representatives of civil society, NGOs, international organisations, regional institutions, foundations and research institutes active in the field of environment. A short position paper will be drafted to be addressed to the participants of the Black Sea Synergy Ministerial meeting (with EU participation), which will take place on 14 February 2008. Joana Chiavari of IEEP will present the first results of a study commissioned by WWF and Hbf on energy and climate change issues in the Black Sea Region.

Contact: Joana Chiavari

State of the Environment in the European Union: Achievements of European Environmental Legislation and Future Requirements – Brussels, 12 February 2008

IEEP Senior Fellow Marc Pallemaerts will address this seminar, organised by the Socialist Group in the European Parliament, together with other invited speakers from the EEA, the International Trade Union Confederation and Business Europe.

Contact: Marc Pallemaerts

6th Meeting of the Management Board of the European Chemicals Agency - Helsinki, 13-14 February 2008

Marc Pallemaerts will participate as a board member representing the European environmental and consumer protection NGOs.

Contact: Marc Pallemaerts

An Introduction to EU Policy - Brussels, 25-27 February 2008

IEEP is organising a training seminar for staff from the UK's statutory independent nature and landscape conservation agencies, to inform them about the EU institutions, decision-making processes and key aspects of EU environmental policy. IEEP staff involved include Jason Anderson, Kristof Geeraerts, Marc Pallemaerts, Emma Watkins and Sirini Withana.

Contact: Emma Watkins

Tomorrow's Waste Legislation - Brussels, 27 February 2007

Marc Pallemaerts will participate as moderator of the debate between experts and stakeholders on the current reform of EU waste legislation in a workshop organised by ISWA, FEAD, CCRE and EEB.

Contact: Marc Pallemaerts

What Price Energy Transformation? - Berlin, 28 February 2008

Jason Anderson will speak at this event, hosted by the Danish Embassy, the German Marshall Fund and Ecologic, on the topic 'Signs of hope? The future of fossil fuel emissions mitigation'.

Contact: Jason Anderson

Environmental Policy Forum in Brussels - Brussels, 28 February, 6 and 18 March 2008, 12:00-14:00

Three more lunchtime events on current environmental policy, organised by IEEP with the Institute for European Studies of the Vrije Universiteit Brussel, are planned in the near future, and open to the public.

The first (28 February) will discuss **"The EU ETS: Reform Prospects and Past Experience"** with Thomas Bernheim (of DG Environment) and Jorgen Wettestad from the Fridtjof Nansen Institute (FNI) in Oslo, co-author with Jon Birger Skjaerseth of the book EU Emissions Trading: Initiation, Decision-making and Implementation (Ashgate, 2008)

The second (6 March) will focus on **"How Integrated is Impact Assessment?"**, with a presentation by Klaus Jacob (FFU-Berlin) on the policy implications of the recently completed FP6 research project 'Evaluating Impact Assessment' (EVIA). The third (18 March) will address "**Transatlantic conflict and cooperation in global sustainable development diplomacy**", with Bo Kjellén, former Swedish Ambassador for multilateral environmental negotiations, as keynote speaker.

To receive full details and invitations for these events, contact: Sonia Rouabhi

CO₂SINK General Assembly - Potsdam, Germany, 3-4 March 2008

Jason Anderson will attend as a member of the scientific advisory board to this FP6 project.

Contact: Jason Anderson

Climate and Energy Package Roundtable - March 2008 - date to be confirmed

IEEP and Climate Change Capital are organising a high-level roundtable to discuss the new climate and energy package of legislation. Jos Delbeke and Alfonso Gonzalez-Finat of the European Commission will present the package and Climate Change Capital and IEEP will respond, after which the invited participants will give their viewpoints on whether the components of the package work together to give the right signals to deliver decarbonisation

Contact: Jason Anderson

CAP Retreat II - Brussels, April 2008

Following the success of the first CAP Retreat, held in Brussels in October 2007, the German Marshall Fund and IEEP will be hosting a second retreat in early April. The aim of this event is to examine the Health Check proposals in more detail and to make suggestions for measures which are sensitive to the environment, in advance of the publication of the draft Regulations in May 2008. The Retreat will be supported by a background paper by IEEP.

Contact: David Baldock, Tamsin Cooper, Kaley Hart and Martin Farmer