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CLIMATE CHANGE

CLIMATE CHANGE AND ENERGY PACKAGE

Protection and innovation: the EU commitments

At the 2007 Spring European Council, EU Heads of State and Government underlined the need for an integrated approach to climate and energy policy in order to transform the EU into a highly energy-efficient and low greenhouse-gas-emitting economy. To this end, the European Council decided on the following commitments, objectives and targets:

- a firm commitment to achieve at least a 20% reduction of greenhouse gas emissions by 2020 compared to 1990;
- a commitment to go further and to achieve a 30% reduction in greenhouse gas emissions by 2020 compared to 1990 as part of a global and comprehensive post-2012 agreement;
- the objective of saving 20% of the EU's energy consumption compared to projections for 2020;
- a binding target of a 20% share of renewable energies in overall EU energy consumption by 2020;
- a 10% binding minimum target for the share of biofuels in overall EU transport petrol and diesel consumption by 2020;
- the objective of developing the necessary technical, economic and regulatory framework to bring environmentally safe carbon dioxide capture and sequestration to deployment with new fossil-fuel power plants, if possible by 2020.

The European Council invited the Commission to put forward the appropriate proposals to implement these commitments, objectives and targets.

P R E S S

The climate action and renewable energy package

On 23 January 2008, the Commission submitted a package of implementation measures for the EU's objectives on climate change and renewable energy.

The package contains the following proposals:

- a directive amending directive 2003/87/EC so as to improve and extend the EU greenhouse gas emission allowance trading system ("EU ETS review");
- a decision on the effort of EU member states to reduce their greenhouse gas emissions to meet the Community's greenhouse gas emission reduction commitments up to 2020 ("non ETS effort-sharing");
- a directive on the promotion of the use of renewable energy sources ("renewables directive");
- a directive on the geological storage of carbon dioxide ("CCS directive").

In addition, the package contains a communication on "Supporting early demonstration of sustainable power generation from fossil fuels" as well as revised Community guidelines on state aid for environmental protection.

These proposals, accompanied with impact assessments, intend to meet a set of key principles: strong, effective and credible targets; fairness and equity in the distribution of the efforts; cost-effectiveness; ensuring technological development and deployment in order to achieve the required deep cuts in greenhouse gas emissions in the longer term; and providing the necessary incentives for an international climate agreement.

In particular, the EU ETS review aims at streamlining and increasing the scope of the EU ETS, providing further harmonisation and increased predictability, enabling linking with emissions trading systems in third countries and providing appropriate means to involve developing countries.

The non ETS effort-sharing aims at sharing the emission reduction effort amongst member states in the sectors not covered by the EU ETS in order to reach the EU's 20 and 30% emission reduction commitments. The proposal is based on efforts by member states on the principles of growth, fairness and solidarity.

The renewables directive aims at promoting the use of energy from renewable sources by laying down the principles according to which member states need to ensure that the share of renewable energy in EU final energy consumption reaches at least 20% by 2020.

The CCS directive aims at allowing and regulating the capture of CO₂ from industrial installations and its storage into a suitable geological formation.

The way forward

Taking into account that energy and climate change is an integral part of the Lisbon strategy, the EU will make a major contribution to broader growth and jobs by delivering its own targets.

Putting the EU on the path towards a low greenhouse gas emission economy while also enhancing the security of energy supply requires political, social and economic efforts to be shouldered by all, taking into account different capacities and capabilities. The right adaptation of our economies should deliver new opportunities to underpin European competitiveness, growth and jobs across the EU, pulling new and energy-efficient technologies into the market. *In this context, an agreement on the substantial elements of the package for tackling climate change within 2008 might lead the EU institutions to its adoption early in 2009.*

At the same time, it will constitute an important impulse in the framework of the negotiating process launched in December 2007 in Bali towards the achievement of an inclusive international agreement for the reduction of greenhouse gas emissions. *The objective is to ensure an ambitious, global and comprehensive post-2012 agreement on climate change at Copenhagen in 2009 consistent with the EU's 2°C objective.* To this end, the EU is ready to promote a shared-vision for long-term cooperative action. *Stepping up to the more ambitious 30% reduction target as part of a global agreement needs to be built in explicitly and in a balanced, transparent and equitable way, taking into account work under the Kyoto Protocol first commitment period.*

CLIMATE CHANGE AND INTERNATIONAL SECURITY

The European Council is expected to welcome the joint report on the impact of climate change and on international security elaborated by the EU High Representative for the Common Foreign and Security Policy and the European Commission, as requested by the Heads of State and Government in June 2007.

The report highlights that the risks posed by climate change are real and that its impacts are already taking place. It is important to recognize that the risks are not only of humanitarian nature and that there are also political and security risks. Therefore, the paper focuses on the consequences of climate change on international security and considers the impact of these international security consequences for Europe's own security and how Europe should respond.

The report identifies and depicts a number of threats among which: conflict over resources, economic damage to coastal cities and critical infrastructures, loss of territory and border disputes, environmentally-induced migration. It also provides several geographical examples to illustrate how climate change is fuelling those threats and acting as a multiplier on existing pressures.

After identifying the threats and stating that the impact of climate change is not a problem of the future but already of today, the joint report underlines that the role of the EU in the international negotiations is vital and must continue. It formulates a number of recommendations to face this new global challenge.

A first step to address the impact of climate change on international security will be to build up EU capacities: from research and monitoring to early warning through conflict prevention, planning, crisis management and disaster response. Since climate change and its links with international security are to be considered as a key element of international relations, the EU should also develop "CO2 Diplomacy" and raise awareness about security effects of climate change in all adequate fora. More focused analysis and research with partners and international cooperation need to be reinforced.

More information can be found at:

http://ec.europa.eu/energy/climate_actions/index_en.htm