Winning the battle against global climate change

2005/2049(INI) - 16/11/2005 - Text adopted by Parliament, single reading

The European Parliament adopted the resolution based on the own-initiative report drafted by Anders **WIJKMAN** (EPP-ED, SE)on winning the battle against climate change, enabling the European Parliament to express its opinion with a view to the United Nations Climate Change Conference, due to take place in Montreal, between 28 November and 9 December. The report was adopted 450 votes in favour, 66 against and 143 abstentions. (Please see the document dated 11/10/2005.)

Parliament stressed thatthe EU strategy on climate change mitigation should be based on a seven-pronged approach:building on key Kyoto elements (i.e. binding greenhouse gas emission targets, a global cap-and-trade system, and flexible mechanisms); undertaking strong emissions reductions at home (starting with 20-30% domestic reductions by 2020); adopting a proactive approach to engage other main actors, notably the US; developing a strategic partnership with countries like China, South Africa, Brazil and India to help them develop sustainable energy strategies; vigorously promoting research and innovation for sustainable energy technologies and removing 'perverse' incentives such as fossil fuel subsidies; using legislation to stimulate greater energy efficiency; and encouraging citizens to become directly involved to a much greater extent in mitigation efforts, inter alia through the provision of detailed information about the carbon content of products and services.

Parliament called on the EU to present, at the COP-11 and COP/MOP1, proposals for a future climate regime, based on the overall objective to limit the average global temperature increase to 2°C above pre-industrialisation levels. It felt that a future regime should be based on common but differentiated responsibilities aiming at contraction and convergence, as well as on progressively greater emission reductions and the involvement of more countries in the reduction effort. A long-term goal should be to develop a global carbon market, based on cap and trade.

Parliament deplored the non-implementation by the current US administration of the commitments under the UNFCCC to return to 1990 emission levels and avoid dangerous climate change, and regrets its decision not to proceed with ratification of the Kyoto Protocol. The EU must ensure that the multilateral process is not paralysed by individual countries.

The potential for energy savings is as high as 40% in the EU, but to reach this goal binding targets must be set. With a systemic approach it would be possible for renewable energies to cover 25% of EU energy consumption by 2020.

Parliament underlined that effective climate change mitigation would require a major transformation of the energy and transportation systems and of the thermal design of buildings and that this transformation ought to become a driving force within the Lisbon Strategy, to boost growth and competitiveness. It called on the EU to develop a strategy to make Europe the most energy efficient economy in the world, by setting targets for annual reductions in energy intensity in the order of 2,5-3%.

It pointed out that many of the technologies needed to reduce GHG emissions already exist. However, their market entry is hampered by numerous barriers, not least perverse incentives such as subsidies for fossil fuels. The Commission is asked to propose legislation to abolish all such subsidies and instead to put in place a positive incentive structure for the enhanced use of energy-efficient, low-carbon and carbon-free technologies. Parliament called for the pro-active use of public procurement within the EU to help bring down the costs for such technologies. In addition to focusing the Seventh Framework Programme on

research in areas relating to climate change mitigation, Parliament asked for a Crash Programme - similar to the US Apollo Programme in the 1960s - to promote research and innovation in support of sustainable energy and land-use management.

Developments within the transport sector are critical as it contributes to roughly 30% of the Community's CO2 equivalent emission, in which approximately 85% is the share of road transport. Parliament called for a policy of strong measures to reduce emissions from transport, including mandatory limits for CO2 emissions from new vehicles in the order of 80-100 gm/km for new vehicles in the medium term to be achieved through emission trading between car manufacturers. Parliament also noted with concern the increase in freight transport, and called on the Commission to make proposals to transfer a large proportion of road haulage traffic to more environmentally-friendly modes of transport.

Parliament went on to state its support for the introduction of ecotaxes at Community level. Like other market instruments, they are essential to an effective pollution reduction policy. Member States should adopt the first European ecotax by 2009 at the latest.

Parliament also pointed out that aviation is responsible for between 4% and 9% of all GHG emissions worldwide and emissions from aviation are increasing at an annual rate of 3%. There must be severe reduction targets for the aviation sector.

Parliament went on to state that in the review of the current Greenhouse Gas Emission Trading Scheme (ETS) and its possible expansion, the idea of grandfathering should be closely reconsidered because of its major shortcomings, and alternatives such as benchmarking and auctioning – using an up-stream approach - should be explored. Moreover, national emission quotas also will have to be reconsidered because of increased cross-border trade, notably as regards electricity.

With regard to developing countries' participation in the future climate regime, the EU should clearly recognise that the priority for these countries is poverty and development. However, the UN Millennium Development Goals will never be met if environment issues, such as climate change, are not properly addressed. Parliament therefore backed the creation of a new coherent political solution to improve the welfare of already vulnerable populations through a global strategy for development with appropriate economic support. This new strategy should be based on the link between climate change, natural resource management, disaster prevention and poverty eradication.

The Commission, as part of the technology cooperation with Annex B countries and as part of its review of the Cotonou Agreement, should assist developing countries to adopt national energy strategies so as to minimise their dependence on imported fossil fuels, to promote technology leapfrogging, notably as regards renewable energy, in particular biomass, and to help them meet the UN Millennium Development Goals.