

THE BATTLE OVER THE EU'S CLIMATE AMBITION

Media briefing ahead of the European Council, June 2019

Since the beginning of 2018, 22 EU Member States in total have signed on numerous statements calling for increasing efforts to tackle the climate crisis. Only six Member States: Bulgaria, Croatia, Czechia, Poland, Romania and Slovakia have decided not to join any of the declarations in support for more climate action so far.

At the European Council on 20-21 June, the progressive EU governments need to finally turn their words into action. This Council will likely be the last opportunity for EU leaders to prepare the EU's contribution to the UN Climate Action Summit in September. Given the growing attention of the public, and in

particular of young people, leaders must agree on achieving net zero emissions by 2050 and commit to raise the EU's 2030 climate target.

Will all EU Member States get on board? Also for Bulgaria, Croatia, Czechia, Poland, Romania and Slovakia keeping temperature rise to 1.5°C is in their best interest. First, their citizens are among those most affected by the climate crisis in Europe. Second, they depend the most on the EU budget for their infrastructure investments and hence would benefit more from significantly increased funding for climate action in support of going to net zero emissions.

SUPPORT FOR HIGHER CLIMATE TARGETS - WHERE DO WE STAND TODAY?

Number of declarations signed by countries:



Common statement on the long-term strategy and the climate ambition of the EU (25.06.2018)

Belgium, Denmark, Estonia, Finland, France, Germany, Italy, Luxembourg, the Netherlands, Portugal, Slovenia, Spain, Sweden, the UK

Joint letter to Commissioner Miguel Arias Cañete on the Climate ambition of the future EU long-term strategy (14.11.2018)

Denmark, Finland, France, Italy, Luxembourg, the Netherlands, Portugal, Slovenia, Spain, Sweden

Leaders' initiative for more climate ambition (27.11.2018)

Austria, Cyprus, Denmark, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, the Netherlands, Portugal, Slovenia, Spain, Sweden

Benelux Talanoa Dialogue Declaration (28.11.2018)

Belgium, Luxembourg, the Netherlands

High Ambition Coalition Statement on Stepping Up Climate Action (12.12.2018)

Austria, Denmark, Finland, France, Germany, Italy, Luxembourg, the Netherlands, Portugal, Slovenia, Spain, Sweden, the UK

Declaration on Nordic Carbon Neutrality (25.01.2019)

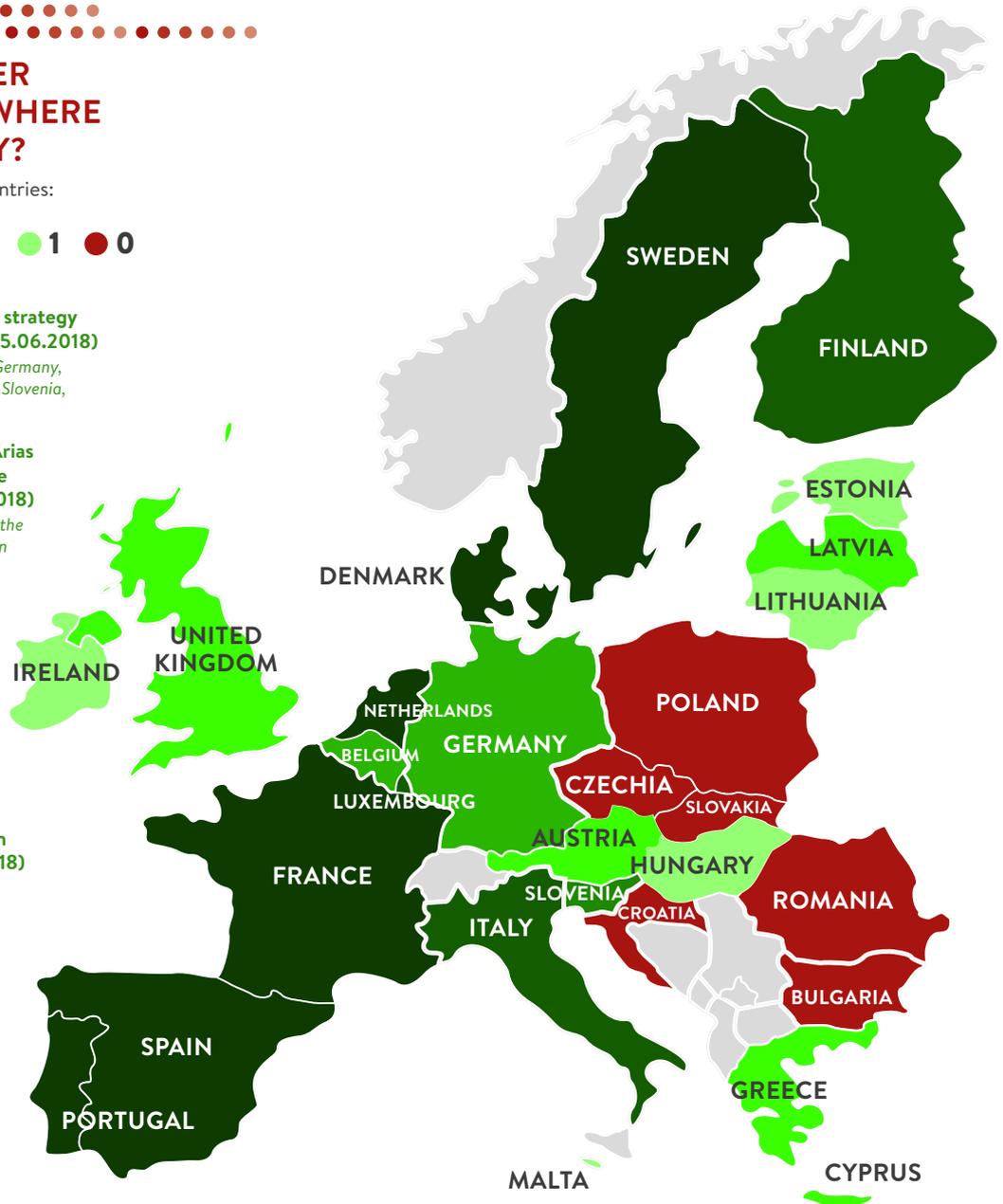
Denmark, Finland, Sweden

Summit of the Southern European Union Countries - Nicosia Declaration (29.01.2019)

Cyprus, France, Greece, Italy, Malta, Portugal, Spain

Non-paper on Climate for the future of Europe (09.05.2019)

Belgium, Denmark, France, Latvia, Luxembourg, the Netherlands, Portugal, Spain, Sweden





TURNING WORDS INTO ACTION

Since the beginning of 2018, altogether 22 EU Member States representing more than 83% of the EU's total population have signed on eight declarations underlining the need to step up EU climate action to keep temperature rise to 1.5°C. The statements concerned the European Commission's proposal to reach net zero greenhouse gas emissions by 2050 and/or the need to revise the EU's 2030 insufficient climate target.

The European Council in June is the moment to show they are willing to turn words into action, by endorsing the Commission's net zero emissions by 2050 proposal and committing to increase the 2030 target. The June European Council is the last formal summit where EU Heads of State and Government can agree on what the EU will bring to the UN Secretary General Climate Action Summit in September 2019 where countries are expected to put forward commitments to ramp up climate action. If the EU went to the summit empty-handed, it would seriously undermine its aspiration to be a global climate leader.

For several months, Europe has been shaken by unprecedented citizen mobilisations. Europeans have indicated that climate change is one of their top concerns. The upcoming European Council in June is a critical opportunity for EU leaders to prove that they listen to these citizens.

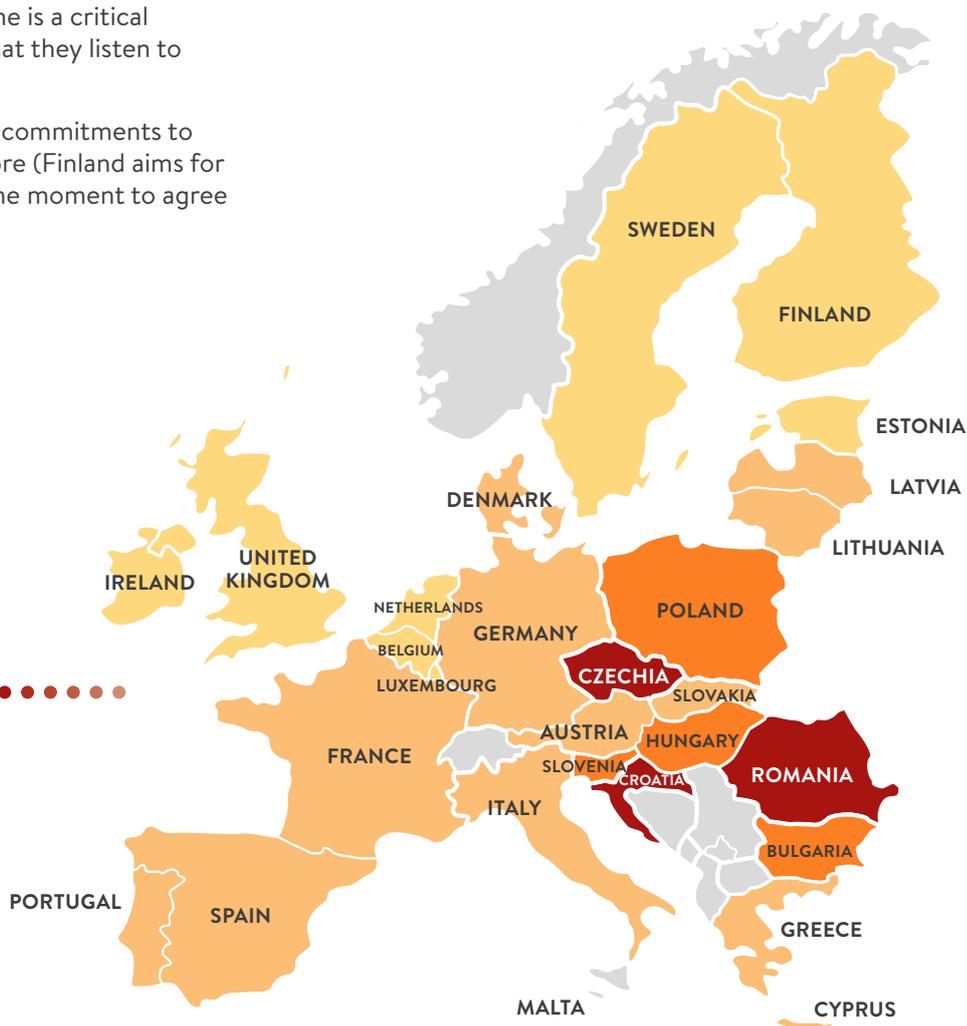
Many EU Member States already have commitments to achieve net zero, by 2050 or well before (Finland aims for 2035 and Sweden for 2045). Now is the moment to agree on a unified approach across the EU.

WE NEED ALL COUNTRIES ON BOARD



Bulgaria, Croatia, Czechia, Poland, Romania and Slovakia are the only EU Member States who have not signed on to ambition statements so far. The European Council in June is an opportunity for them to stop the foot-dragging and finally recognise the urgency of tackling the climate crisis.

All countries have much to gain, as steeper emission cuts mean a massive reduction of economic damages caused by climate change. Almost all of the less outspoken Member States are also the ones who experience the most devastating climate impacts. According to an analysis by the European Environment Agency on the economic losses from climate-related extremes, **Bulgaria, Croatia, Czechia, Hungary, Poland and Romania** are the ones who lost the biggest share of their GDP due to the consequences of climate change in the period 1980 - 2017.



ECONOMIC LOSSES FROM CLIMATE-RELATED EXTREMES IN EUROPE*

Annual % of GDP losses

- > 0.3%
- > 0.2%
- > 0.1%
- < 0.1%

* European Environment Agency, Economic losses from climate-related extremes in Europe: <https://www.eea.europa.eu/data-and-maps/indicators/direct-losses-from-weather-disasters-3/assessment-2>

If the EU decides to step up its climate commitments, the funding for climate action and a just and clean energy transition in the future EU budget for the period 2021-2027 is also likely to increase. As the poorer EU Member States are the ones that benefit most from the EU budget funding for infrastructure investments, they are also likely to benefit most from the funding in support of going to net zero emissions. The future EU budget is currently being negotiated and will also be discussed at the European Council in June.

The EU budget is the most suitable collective tool to ensure all Member States get on board for the clean energy transition. The lesser developed regions should use the money wisely to boost their shift away from fossil fuels. The new EU budget can support rebuilding most of the existing infrastructure in the energy sector, but also in urban living, buildings, transport, local-led community initiatives and agriculture.

IMPACT OF THE 2020 - 2027 COHESION POLICY ON GDP, 2030*

% above baseline

- < 1.50
- 1.50 - 3.00
- 3.00 - 5.00
- > 5.00



* Adapted from the EC impact assessment of the regulation on the European Regional Development Fund and on the Cohesion Fund: <https://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=SWD:2018:0282:FIN:EN:PDF>

BACKGROUND

What does a net zero emissions economy mean?

'Net zero' means a balance between what goes in and what goes out. For greenhouse gas emissions, that means that we must not emit more than can be absorbed by nature. At the moment, up to 7% of the EU's total greenhouse gas emissions are removed by natural sinks like forests and wetlands. Since there is a limit to how much we can further increase Europe's natural sink capacity to absorb, we need to drastically reduce the volume of emissions that we are releasing into the atmosphere. So to reach net zero emissions the EU would need to cut greenhouse gas emissions by at least 90%.

Why do we need to reduce emissions to net zero? Will it happen during our lifetime?

In the Paris Agreement, the world agreed to pursue efforts to limit temperature rise to 1.5°C. The recent IPCC's Special Report on Global Warming of 1.5°C indicated how to achieve that goal. Based on the findings of this report, while using a precautionary approach and taking into account equity considerations, the EU would need to reach net zero emissions already by 2040. This approach follows the IPCC suggested illustrative pathway that avoids an overshoot of the 1.5°C temperature goal and thus minimises reliance on unproven carbon removal technologies.

The IPCC also made it clear that we need to make headway towards this goal already now, as it is the emission cuts between now and 2030 that will determine our chances to stay below 1.5°C. This is why the EU also needs to significantly increase its 2030 target to at least 65% domestic greenhouse gas emission reductions, compared to 1990 levels.

Is it possible to build a net zero emissions economy within two decades?

It is feasible both technically and economically. We need to do more of what has already proven to work. We have many signs that the transition is well under way, including the growth of renewables, the decline of coal or the rise of ambitious climate action by cities, regions, investors, business and communities. It is crucial to ensure that the zero carbon transition is just, orderly, and benefits the poorest members of society by integrating strong social measures. It is equally important to align the long-term EU budget that will be running investment programs from 2021 to 2027 with the net-zero objective, to ensure adequate financial support particularly for less developed regions which are also often the most coal-dependent. There is a growing body of evidence showing that the transition is feasible and beneficial even for the biggest polluting sectors, such as transport, industry and agriculture.

What are the benefits of this transition?

Cutting greenhouse gas emissions to net zero will save money. First, limiting climate change means a massive reduction of economic damages. Already now climate-related extreme weather events cost us nearly EUR 14 billion per year and could further increase to at least EUR 190 billion by 2100, equivalent to a loss of 1.8% of current EU GDP. Secondly, it will bring enormous benefits worth billions of euros.

According to the European Commission, achieving net zero emissions by 2050 in the EU equals:

- + GDP increases by up to 2% compared to the baseline scenario;**
- + employment increases by 0.9%, representing 2.1 million additional jobs;**
- + energy import dependence falls from 55% today to 20% by 2050;**
- + fossil fuel import bill (currently at €266 billion per year) drops by over 70%;**
- + premature deaths due to air pollution caused by fine particulate matter decrease by more than 40%;**
- + health damages from air pollution caused by fine particulate matter decrease by around €200 billion per year.**