

José Manuel Durão Barroso

President of the European Commission

"The Road to Copenhagen"

Green week closing session

Brussels, 26 June 2009

Chairman,
Ministers,

Distinguished guests,

Good morning. It is a pleasure to have the opportunity to address the closing session of Green Week.

2009, culminating in the Copenhagen conference, is a crucial year for the battle against climate change, but in fact climate change has been the defining issue for this Commission, and I fully expect it to be the defining issue for the *next* Commission.

Why is that? Because environment policy in general, and climate policy in particular, are natural *European* issues. Carbon emissions don't stop for checks at national borders. Actions we take – or don't take – inside the European Union have a direct impact on the rainforests of Brazil and Borneo, and on the thickness of the Greenland ice sheet.

The same comment applies to other urgent problems we face, such as water management policy, and to biodiversity, by the way.

The case for an Environmental Europe doesn't mean that the Commission should second guess and micromanage every action by Member States. But the value added of environmental action at the European level can no longer be questioned.

Consider what we have achieved on climate, together, over the last five years:

- on the basis of the proposals put forward by the Commission in January 2008, the EU has now formally adopted the climate and energy legislative package which makes Europe the first region in the world to set far-reaching, legally binding climate and energy targets.

The package delivers on EU leaders' commitments in March 2007 to reduce greenhouse gas emissions by at least 20% of 1990 levels and to raise the share of energy consumption provided by renewable resources to 20%, both by 2020. It also contributes to the target of improving energy efficiency by 20%.

These are real achievements for the European Union, and you all know why they are so significant. We have heard so much this week about the scientific evidence of climate change, and about its current and future impact. You know that man-made climate change poses unprecedented risks to human life, to the ecosystems we depend on, and even to civilisation itself.

So I am proud, at a time when decisive and urgent action is needed, that the European Union is leading the way, and doubly proud at the role the European Commission has played. This is proof positive, for those that want it, of this Commission's "green pedigree".

And yet we couldn't have done all this alone. I know that a good many of you, as stakeholders, have contributed to shaping these initiatives. I want to take this opportunity to thank you for your efforts so far. And I want to encourage you to continue helping us develop the follow-up measures that are needed for full implementation.

Ladies and gentlemen, we must also finally put an end to the argument that we can only let our policies go green when the economy is strong.

I have to say that while I disagree with this argument, I understand it.

Much has happened since we last met. The sub-prime crisis. The credit crunch. Near financial meltdown. A steep decline in international trade and a global recession.

So we should not be surprised that some people have suggested putting the fight against climate change on the back-burner, until the economy recovers.

But 'action on the economy or action against climate change' is a false dichotomy. These economic and environmental challenges must be tackled together. Indeed, they are part and parcel of a strategy of smart, sustainable, low carbon growth. Low carbon growth must be the hallmark of the post-crisis economy.

After all, the economic arguments for taking action on climate change are as compelling as the scientific case.

We know, for example, that the costs of climate change will be far higher if we don't take action now – up to 20% of GDP annually in the long run, according to the Stern Review. By contrast, we think we can limit the cost of our package to around half of one percent of GDP.

Moreover, the package should reduce our vulnerability to energy shocks, limiting the damaging consequences for our industry and economies. We are already dependent on others for more than 50% of our energy needs. This could rise to 64% by 2020 if we continue with business as usual, according to some projections. There are of course strong links between the energy and climate change agendas, as the Commission identified in its paper of January 2007.

So the costs of environmental action are often dwarfed by the costs of inaction.

But the *benefits* of going green are also underestimated.

The reality is that change brings big economic opportunities, provided that the EU further exploits its first mover advantage, and consolidates its position on world markets for energy efficient and low carbon technologies.

Achieving a 20% share for renewables, for example, could mean more than a million jobs just in this industry by 2020.

So the financial crisis has, in short, given us the chance to accelerate the move towards a low carbon society. As long as we have the courage to seize that chance.

That is why, when the Commission designed the European Economic Recovery Plan last year, we were careful to ensure that the short-term response was consistent with our long-term goals.

Smart investment in infrastructure, energy efficiency, and clean car technology will all support vulnerable industries in intelligent ways: by preparing them to thrive in the markets of the future, instead of artificially propping them up for markets that are fading into the past.

Indeed, looking at what we can do in the future is frankly tremendously exciting, and the next Commission will have much work to do in shaping the decades to come.

Just to give a couple of examples, we should be ready to envisage the decarbonisation of electricity and even transport fuels by 2050.

This may sound like a huge challenge to some, and I have never flinched from a challenge. But to me, it sounds like a gigantic opportunity.

Ladies and gentlemen, let me finally now look at the international dimension.

Based on our binding targets, we have a strong EU position for Copenhagen in December. The Commission has in January set out a clear vision of what the post-2012 agreement must do. I know my colleague Stavros Dimas will say more about this later, and also about the state of the negotiations, where we were working extremely closely with Member States and of course the future Swedish Presidency in particular.

In Copenhagen, we have to reach a truly global deal in which all countries take on their fair share of the effort needed to prevent dangerous climate change. The world needs to reduce global emissions by at least 50% by 2050 if we are to have a chance, of keeping global warming below the threshold at which – according to the scientific evidence – we risk irreversible and possibly catastrophic global changes.

That threshold, ladies and gentlemen, is just 2° Celsius above the pre-industrial temperature, or only 1.2° Celsius above today's level.

All countries except the very poorest will need to contribute to this effort, with developed countries taking the lead - reducing emissions by at least 80 % by 2050. And while we are not there yet, the prospects for agreement at Copenhagen have brightened over the past year.

President Obama's personal commitment - both to domestic action and to a successful outcome in Copenhagen – has amounted to nothing less than a sea-change in the US position. His leadership means that the United States is now back at the table. And with the Waxman-Markey bill there is now concrete draft legislation on the table, aimed at reducing domestic emissions for the first time ever in the US.

Rarely, perhaps, has the progress of US domestic legislation been so carefully monitored internationally.

So let's put aside the normal conventions here and be very clear. We want the US to go as far and as fast as they can on climate change. But above all, we want Waxman-Markey to succeed.

Meanwhile it is abundantly clear, to take an example of another country, that China is also now taking climate change extremely seriously. It is fully and constructively engaged in the international negotiations, while domestically it is pursuing very ambitious targets to reduce energy intensity by 20% under its current five-year plan.

I would like to take this opportunity to congratulate Professor Wang Yi and his colleagues at the Chinese Academy of Sciences for their influential work on climate policy. We fully share your view that low-carbon development has to be the way forward.

And we want to work with both the US and China at the same time ! With President Obama's reinvigoration of the Major Economies Forum, or MEF, we have a real political dialogue at leaders' level on the key issues at stake, and the chance to build confidence between developed and developing countries ahead of Copenhagen.

Three preparatory sessions have already been held, the most recent in Mexico earlier this week. There's been some tough but constructive talking in those meetings, and I am hopeful that the MEF Leaders' meeting in L'Aquila in two weeks' time, back to back with the G8 meeting, can make a really useful contribution to the Copenhagen process on all the thorny issues such as adaptation, mitigation, finance and technology.

Indeed, one reason we have to work closely with developing countries, as I have always said, is that the climate and development agenda are mutually self-supporting. For this reason, we have built the Global Climate Change Alliance, to work with developing countries on plans to *adapt* to climate change.

All of this requires a serious effort on *finance* where the Commission set out its thinking last January. Here, the EU absolutely stands ready to play its full part, and pay its full share, and this message has been supported by the European Council.

Ladies and gentlemen,

Green Week is now in its ninth year. Since its launch, it has become the biggest annual conference dedicated to European environment policy. I'm told it has attracted around 4500 people this year, from governments, business, EU and international institutions, non-governmental organisations and the scientific and academic communities.

So as Green Week 2009 draws to a close, we can take pride in what we have achieved. Environmental policy, particularly action against climate change, has evolved to become the most important, most discussed, issue in domestic and international fora.

So let me end by wishing you a fruitful and constructive closing session. But also let me remind you that there is still plenty of work to do on the road to Copenhagen – and beyond !

Thank you.