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## **DRAFT REPORT**

Towards a new international climate agreement in Paris  
(2015/2112(INI))

Committee on the Environment, Public Health and Food Safety

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(\* ) Associated committees – Rule 54 of the Rules of Procedure

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(\*) Associated committee – Rule 54 of the Rules of Procedure

## MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION

### **Towards a new international climate agreement in Paris (2015/2112(INI))**

*The European Parliament,*

- having regard to the United Nations Framework Convention on Climate Change (UNFCCC) and to the Kyoto Protocol thereto,
- having regard to the 15th Conference of the Parties (COP 15) to the UNFCCC and the 5th Conference of the Parties serving as the Meeting of the Parties to the Kyoto Protocol (CMP5) held in Copenhagen, Denmark, from 7 to 18 December 2009 and to the Copenhagen Accord,
- having regard to the 16th Conference of the Parties (COP 16) to the UNFCCC and the 6th Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (CMP6), held in Cancún, Mexico, from 29 November to 10 December 2010 and to the Cancún Agreements,
- having regard to the 17th Conference of the Parties (COP 17) to the UNFCCC and the 7th Conference of the Parties serving as the Meeting of the Parties to the Kyoto Protocol (CMP7) held in Durban, South Africa, from 28 November to 9 December 2011 and in particular the decisions encompassing the Durban Platform for Enhanced Action,
- having regard to the 18th Conference of the Parties (COP 18) to the UNFCCC and the 8th Conference of the Parties serving as the Meeting of the Parties to the Kyoto Protocol (CMP8) held in Doha, Qatar, from 26 November to 8 December 2012 and to the adoption of the Doha Climate Gateway,
- having regard to the 19th Conference of the Parties (COP 19) to the UNFCCC and the 9th Conference of the Parties serving as the Meeting of the Parties to the Kyoto Protocol (CMP9) held in Warsaw, Poland, from 11 to 23 November 2013 and the establishment of the Warsaw International Mechanism for Loss and Damage,
- having regard to the 20th Conference of the Parties (COP 20) to the UNFCCC and the 10th Conference of the Parties serving as the Meeting of the Parties to the Kyoto Protocol (CMP10) held in Lima, Peru, from 1 to 12 December 2014 and the Lima Call for Climate Action,
- having regard to the 21st Conference of the Parties (COP 21) to the UNFCCC and the 11th Conference of the Parties serving as the Meeting of the Parties to the Kyoto Protocol (CMP11) to be held in Paris, France, from 30 November to 11 December 2015,

- having regard to its resolution of 25 November 2009 on the EU strategy for the Copenhagen Conference on Climate Change (COP 15)<sup>1</sup>, of 10 February 2010 on the outcome of the COP 15<sup>2</sup>, of 25 November 2010 on the Climate Change Conference in Cancun (COP 16)<sup>3</sup>, of 16 November 2011 on the Climate Change Conference in Durban (COP 17)<sup>4</sup>, of 22 November 2012 on the Climate Change Conference in Doha, Qatar (COP 18)<sup>5</sup>, of 23 October 2013 on the Climate Change Conference in Warsaw, Poland (COP 19)<sup>6</sup> and of 26 November 2014 on the Climate Change Conference in Lima, Peru (COP 20)<sup>7</sup>,
- having regard to the EU climate and energy package of December 2008,
- having regard to the Commission Green Paper of 27 March 2013 on “A 2030 framework for climate & energy policies” (COM(2013)0169),
- having regard to Directive 2008/101/EC of the European Parliament and of the Council of 19 November 2008 amending Directive 2003/87/EC so as to include aviation activities in the scheme for greenhouse gas emission allowance trading within the Community<sup>8</sup>,
- having regard to its resolutions of 4 February 2009 entitled ‘2050: The future begins today - Recommendations for the EU’s future integrated policy on climate change’<sup>9</sup>, of 15 March 2012 on a Roadmap for moving to a competitive low carbon economy in 2050<sup>10</sup> and of 5 February 2014 on a 2030 framework for energy and climate policies<sup>11</sup>,
- having regard to the Communication from the Commission of 25 February 2015, as part of the Energy Union Package, entitled ‘The Paris Protocol – A blueprint for tackling global climate change beyond 2020’ (COM(2015)0081),
- having regard to the EU Strategy on adaptation to climate change of April 2013 and its accompanying Staff Working Paper,
- having regard to the United Nations Environment Programme (UNEP) Synthesis Report

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<sup>1</sup> OJ C 285 E, 21.10.2010, p. 1.

<sup>2</sup> OJ C 341 E, 16.12.2010, p. 25.

<sup>3</sup> OJ C 99 E, 3.4.2012, p.77.

<sup>4</sup> OJ C 153 E, 31.5.2013, p. 83.

<sup>5</sup> Texts adopted, P7\_TA(2012)0452.

<sup>6</sup> Texts adopted, P7\_TA(2013)0443.

<sup>7</sup> Texts adopted, P8\_TA(2014)0063.

<sup>8</sup> OJ L 8, 13.1.2009, p. 3.

<sup>9</sup> OJ C 67 E, 18.3.2010, p. 44.

<sup>10</sup> OJ C 251 E, 31.8.2013, p. 75.

<sup>11</sup> Texts adopted, P7\_TA(2014)0094.

of November 2012 entitled ‘The Emissions Gap Report 2012’,

- having regard to the World Bank reports entitled ‘Turn Down the Heat: Why a 4 C Warmer World Must be Avoided’, ‘Turn Down the Heat: Climate Extremes, Regional Impacts, and the Case for Resilience’ and ‘Climate Smart Development: Adding up the Benefits of Climate Action’,
  - having regard to the Global Commission on the Economy and Climate report entitled ‘Better Growth, Better Climate: The New Climate Economy Report’,
  - having regard to the 5th Assessment Report (AR5) of the Intergovernmental Panel on Climate Change (IPCC) and its Synthesis Report,
  - having regard to the submission of 6 March 2015 by Latvia and the European Commission to the UNFCCC of the Intended Nationally Determined Contribution of the EU and its Member States,
  - having regard to Rule 52 of its Rules of Procedure,
  - having regard to the report of the Committee on the Environment, Public Health and Food Safety and the opinions of the Committee on Industry, Research and Energy, the Committee on Foreign Affairs, the Committee on Development, the Committee on International Trade and the Committee on Transport and Tourism (A8-0000/2015),
- A. whereas climate change represents an urgent and potentially irreversible threat to human societies and the biosphere and must thus be addressed at international level by all Parties;
- B. whereas according to the scientific evidence presented in the 2014 IPCC AR5, warming of the climate system is unequivocal; climate change is occurring and human activities are the dominant cause of observed warming since the middle of the 20th century; the widespread and substantial climate-change impacts are already evident in natural and human systems on all continents and across the oceans;
- C. whereas according to NOAA’s latest results, for the first time since measurements began the monthly global average concentration of the carbon dioxide in the atmosphere surpassed 400 parts per million in March 2015;
- D. whereas the EU has decreased its emissions by 19% in 2013 compared to 1990 in the scope of the Kyoto Protocol, while growing its GDP by more than 45%;

### **Urgency to act at global level**

1. Recognises the extraordinary scale and seriousness of the threats induced by climate change and is extremely concerned that the world is severely off track to limit global warming to below 2°C; calls on governments to take, without delay, concrete measures against climate change and towards a global agreement in Paris 2015 to deliver this target;

2. Notes that, in line with the IPCC AR5 findings, the global carbon budget available after 2011, if there is to be a likely chance of keeping the rise in global average temperature below 2°C, is 1010 Gtons of CO<sub>2</sub>; emphasises that all countries need to contribute and that delaying action will increase costs and reduce options;

#### **An ambitious, global, legally binding agreement**

3. Emphasises that the 2015 Protocol must be ambitious from the outset when adopted in Paris, and should aim at phasing out global carbon emissions by 2050 or shortly thereafter; calls for the EU to work with its international partners to that end;
4. Considers that in case of a gap between the level of ambitions of the aggregated INDC presented before Paris and the necessary level of greenhouse gases reduction, it will be necessary to elaborate a work programme which will start in 2016 in order to define the additional reduction measures; calls for a comprehensive review process, which will be conducted every five years, will ensure the dynamism of the implemented mechanism and will allow to reinforce the level of ambition of reduction commitments in accordance with the most recent scientific data; calls on the EU to support legally binding 5-year commitment periods so as to avoid locking into low level of ambition, increase political accountability and allow for revision of targets to match scientific adequacy;
5. Calls for general reinvigoration of the EU's climate policy which would help build momentum in international climate discussions and are in line with upper limit of the EU's commitment to reduce its GHG emissions to 95% below 1990 levels by 2050; considers that a binding EU 2030 50% reduction target for greenhouse gas emissions compared to 1990 levels is the absolute minimum required to stay on track for the below 2° C target and is both realistic and affordable; moreover calls for a binding EU 2030 energy efficiency target of 40 %, in line with research on cost-effective energy saving potential and a binding EU 2030 target of producing at least 45 % of total final energy consumption from renewable energy sources;
6. Underlines the need for an effective compliance regime applicable to all Parties under the 2015 agreement; emphasises that the 2015 agreement must promote transparency and accountability through a common rules-based regime including accounting rules and monitoring, reporting and verification arrangements;

#### **Pre-2020 ambition and the Kyoto Protocol**

7. Places particular emphasis on the urgent need for progress in closing the gigatonne gap which exists between the scientific analysis and the current Parties' pledges for the period up to 2020; emphasises the important role of other policy measures, including energy efficiency, substantial energy savings, renewable energy, resource efficiency and the phase-down of HFCs, phasing out fossil fuel subsidies and strengthening the role of widespread pricing of carbon, in contributing to closing the gigatonne gap;
8. Clarifies that, although the second commitment period of the Kyoto Protocol will be limited in its extent, it should be seen as a very important interim step, and therefore calls on Parties, including EU Member States, to ratify the second commitment period rapidly, as the EP completes its part by giving its consent; believes that such efforts and

transparency is necessary to help understand mutual efforts and build trust among all Parties towards the Paris Conference;

### **Comprehensive effort of all sectors**

9. Calls for an agreement that covers sectors and emissions in a comprehensive manner and sets economy-wide absolute targets combined with emission budgets which should ensure the highest possible level of ambition; stresses that in line with the IPCC's findings, land use (agricultural, forest and other land uses) has significant cost-effective potential for mitigation and enhancing resilience; highlights that the agreement should set a comprehensive accounting framework for emissions and removals from land (LULUCF);
10. Reiterates the need for the ICAO and the IMO to act to effectively regulate emissions from international aviation and shipping respectively before the end of 2016, in line with adequacy and urgency required;
11. Calls for the EU to step up efforts to regulate a global HFC phase-down under the Montreal Protocol; recalls that the EU has adopted ambitious legislation to phase down HFCs by 79% until 2030 as climate-friendly alternatives are widely available and their potential shall be fully exploited; notes that phasing-down the use of HFCs represents a low-hanging fruit for mitigating actions in and outside the EU and calls on the EU to be actively engaged in facilitating global action on HFCs;

### **Climate finance: cornerstone for the Paris agreement**

12. Considers that finance will play an essential role in finding an agreement at the Paris Conference and that it seems therefore necessary to prepare a credible "financial package", in order to support greater efforts for greenhouse gas reduction and adaptation to climate change impacts;
13. Requests the EU to agree on a roadmap for scaling up predictable, new and additional finance, in line with existing commitments, towards its fair share of USD 100 billion a year by 2020; calls for a robust monitoring and accountability framework for effective follow-up of the implementation of climate finance commitments and objectives;
14. Calls for concrete commitments to deliver additional sources of climate finance, such as the adoption of a financial transactions tax and the allocation of emissions trading revenues to climate-related investments, and revenues from carbon pricing of transport fuels; calls for concrete steps including a timetable for the phase out of fossil fuel subsidies, an ambitious roadmap of commitments of public and multilateral banks in favour of financing the ecological transition, specific public guarantees in favour of green investments, labels and fiscal advantages for green investment funds and for issuing green bonds;

### **Achieving climate resilience through adaptation**

15. Emphasises that adaptation action is an inevitable necessity and needs to play a central role in the new agreement;

16. Recalls that developing countries, in particular Least Developed Countries and Small Island Developing States, have contributed the least to climate change, are the most vulnerable to the adverse effects of climate change and have the least capacity to adapt; calls for adaptation support and loss and damage to be essential elements of the Paris agreement guaranteeing therefore that their adaptation needs will be met both in the short and in the long-term;

#### **Scaling up climate diplomacy**

17. Stresses, in this context, the importance of the EU to play an ambitious and central role at the conference, speaking with 'one voice' in seeking progress towards an international agreement and staying united in that regard;
18. Urges the EU to continue and intensify its diplomatic efforts ahead and during the Conference aiming at improving its understanding of the positions of its partners as well as to encourage other parties to take effective measures to stay compliant with the 2° C objective;

#### **European Parliament delegation**

19. Believes that the European Parliament, as it will also need to give its consent to any international agreement, needs to be well integrated in the EU delegation; expects therefore to be allowed to attend EU coordination meetings in Paris;
20. Instructs its President to forward this resolution to the Council and the Commission, the Governments and Parliaments of the Member States and the Secretariat of the UNFCCC, with the request it will be circulated to all non-EU Parties.



## EXPLANATORY STATEMENT

To judge by the impact it is having on sustainable development, health and the world economy, global warming is one of the most serious challenges facing humanity. Rising temperatures, melting glaciers and ever more frequent droughts and floods are all signs that climate change is a real phenomenon. Climate change calls for an urgent, responsible, global response, based on solidarity among the international community.

On 25 February 2015, the Commission adopted a communication, entitled *The Paris Protocol - A blueprint for tackling global climate change beyond 2020*, which is intended to prepare the European Union for the final cycle of negotiations which will lead up to the 21st United Nations Climate Conference to be held in Paris from 30 November to 11 December 2015.

On 6 March 2015, the EU environment ministers formally adopted undertakings to reduce the European Union's greenhouse gas emissions. The European Union and its Member States have jointly pledged to meet a binding target of reducing greenhouse gas emissions in the EU by at least 40% over 1990 levels by 2030. The European Union submitted its Intended Nationally Determined Contribution (INDC) to the Climate Convention Secretariat (UNFCCC) in March 2015.

These goals represent a step in the right direction, but they should be more ambitious. If the EU's position in the international negotiations is to be strengthened, Parliament must advocate ambitious and realistic targets: reducing greenhouse gas emissions by 50% over 1990 levels by 2030, increasing the share of the energy mix accounted for by renewables to 45% and cutting overall energy consumption by 40%.

The Paris Conference must not be a meeting characterised by earnest efforts to achieve progress; it must be a meeting at which real decisions are taken. The Conference will mark a decisive stage in the negotiations on the new world climate agreement which will enter into force in 2020.

The Paris Conference is not an end in itself, but rather the start of a dynamic process which will enable the international community to get back on track in its efforts to meet the target of keeping the rise in average global temperatures below 2° C.

### **An ambitious, universally applicable and legally binding agreement**

The Paris Agreement must:

- be ambitious, universally applicable and legally binding, in order to provide a long-term response commensurate with the climate challenges facing us and the target of keeping the rise in average global temperatures below 2°C;
- be sustainable and dynamic, so that it can underpin ever more resolute action against climate disruption, beyond the initial contributions submitted by States, on the basis, in particular, of a long-term mitigation target;

- be flexible so that it can take account of the changing needs and capacities of the countries involved and their national circumstances and provide them with the means of honouring their undertakings;
- strike a balance between mitigation and adaptation, in order to help the most vulnerable countries cope more resiliently with the impact of climate change, encourage sustainable approaches to development, keep the rise in average global temperatures below 2°C and help individual countries implement and enhance national adaptation action plans;
- send out the powerful message required to convince economic actors to start the transition to a low-carbon economy.

### **The funding arrangements – cornerstone of the Paris Agreement**

Between now and 2020, US\$ 100 billion will have to be transferred each year to the developing countries to help them meet the cost of reducing greenhouse gas emissions and fund projects designed to protect at-risk communities against the impact of climate change, such as rising sea levels, prolonged droughts and damage to food crops.

At the Lima Conference held in late 2014, a total of US\$ 10.4 billion was raised for the Green Climate Fund. In your rapporteur's view, this is not enough. If they are to regain the trust of the developing countries, the European Union and the industrialised countries must set out very clearly how they intend to put together the US\$ 100 billion aid package announced at the Copenhagen Conference in 2009.

Regrettably, the Commission communication of 25 February 2015 is vague on this issue, even though the provision of new funding will be the cornerstone of the Paris Agreement.

In order to meet the undertakings given at COP 21, innovative funding mechanisms will have to be devised, tested and implemented. This will necessarily involve:

- setting a realistic carbon price in all the world's major economies with a view to developing climate-friendly solutions;
- offering incentives for all financial actors to redirect their investments on the scale needed to finance a genuine transition to resilient, low-carbon economies;
- providing specific government guarantees for green investments;
- in Europe, using the money available under the Juncker Plan, via the European Fund for Strategic Investments;
- drawing up an ambitious roadmap of undertakings by state and multilateral banks to fund environmental transition;
- introducing labels and tax breaks for green investment funds and green bonds;

- introducing a financial transaction tax, part of the proceeds of which are earmarked for green investments.

Funding will be a key issue in the context of the efforts to secure an agreement ahead of the Paris Conference. Accordingly, a credible ‘financial package’ needs to be prepared, both for the developed and the developing countries, so that the efforts to reduce greenhouse gas emissions and adapt to the impact of climate change can be stepped up.

### **The EU must set a climate policy example at home**

Although he advocates more ambitious targets, your rapporteur welcomes the submission by the EU of its INDC before the March 2015 deadline set, for guidance, by the Warsaw decision. That contribution has had a significant impact, and exerted a significant bandwagon effect, on the EU’s international partners and must be built on through the adoption of practical measures to implement the transition to a low-carbon economy in the Union.

Once the work on the stability reserve has been completed, the Commission will need to make a start on revising the directive on the European carbon market and preparing the arrangements to govern the distribution of the burden among the Member States.

The European Union must complete as quickly as possible the process of ratifying the Doha amendment to the Kyoto Protocol and encourage the other Parties to follow suit, so that it can enter into force without delay.

Ambitious undertakings given by the European Union will have a decisive bearing on its credibility in the negotiations. The Union must pursue an ambitious and effective policy designed to bring about an energy transition by 2050, using the instruments at its disposal not only in the area of climate and energy policy, but also in other spheres, such as transport, research and innovation, trade and development cooperation.

### **An effective EU external policy which exerts a bandwagon effect**

The European Union must lobby all the stakeholders intensively at all the international meetings held in 2015 in the run-up to COP 21.

The EU contribution must set an example for the other Parties, through its clarity, transparency and ambition. The EU’s success in reducing its emissions by 19% between 1990 and 2012, over a period when its GDP increased by 45%, and the ongoing fall in its share of global emissions show that mitigation and economic growth can go hand in hand.

The European Union must continue and step up its diplomatic efforts in order to gain a better understanding of the positions adopted by its partner countries, encourage those countries to implement ambitious policies to combat climate change and form alliances conducive to achieving that goal.

Your rapporteur notes that in autumn 2015 the Commission plans to organise jointly with Morocco a conference on the topic of the ‘ambition gap’, i.e. the disparity between the undertakings given by the parties and the target of limiting global warming to less than 2°C.

He urges the Commission, however, to make sure that the main objective of such an event is to achieve progress towards an agreement at the Paris Conference. With that aim in view, the conference should serve to encourage the Parties to take an ambitious approach and provide a forum for a constructive exchange of views which focuses on practical measures.

Your rapporteur calls for intra-EU discussions to be stepped up without delay with a view to reaching agreement on a common standpoint, in particular on the key issues to be dealt with in the international negotiations, such as funding, capacity-building and technology transfer.

The credibility of the undertakings given by the Parties to the Paris Agreement will be contingent in part on the efforts made by non-State actors, such as towns and cities, regions, industries or investors. The Paris Conference must send out a clear message to these actors and offer them incentives to take action, including in the form of international acknowledgement of their efforts. The International Civil Aviation Organisation (ICAO), the International Maritime Organisation (IMO) and the Parties to the Montreal Protocol must also take action to regulate the emissions generated by international transport and the production and consumption of HFCs before the end of 2016.

The European Union must be the voice of ambition in the negotiations. Your rapporteur feels that the Union's credibility would be undermined if it were to approve an agreement which clearly did not do enough to limit climate change. Whilst demonstrating the flexibility needed to secure a consensus, the Union must reject any unacceptable compromise.

The European Parliament will continue to have a key say in framing an ambitious European policy to combat climate change. In conclusion, your rapporteur would like to point out that Parliament will be required to give its consent to the ratification by the EU of the legally binding agreement which emerges from the Paris Conference. Parliament must therefore be fully involved in the coordination meetings held during that conference.