

Climateworks/ European Climate Foundation Low Carbon Growth Initiatives

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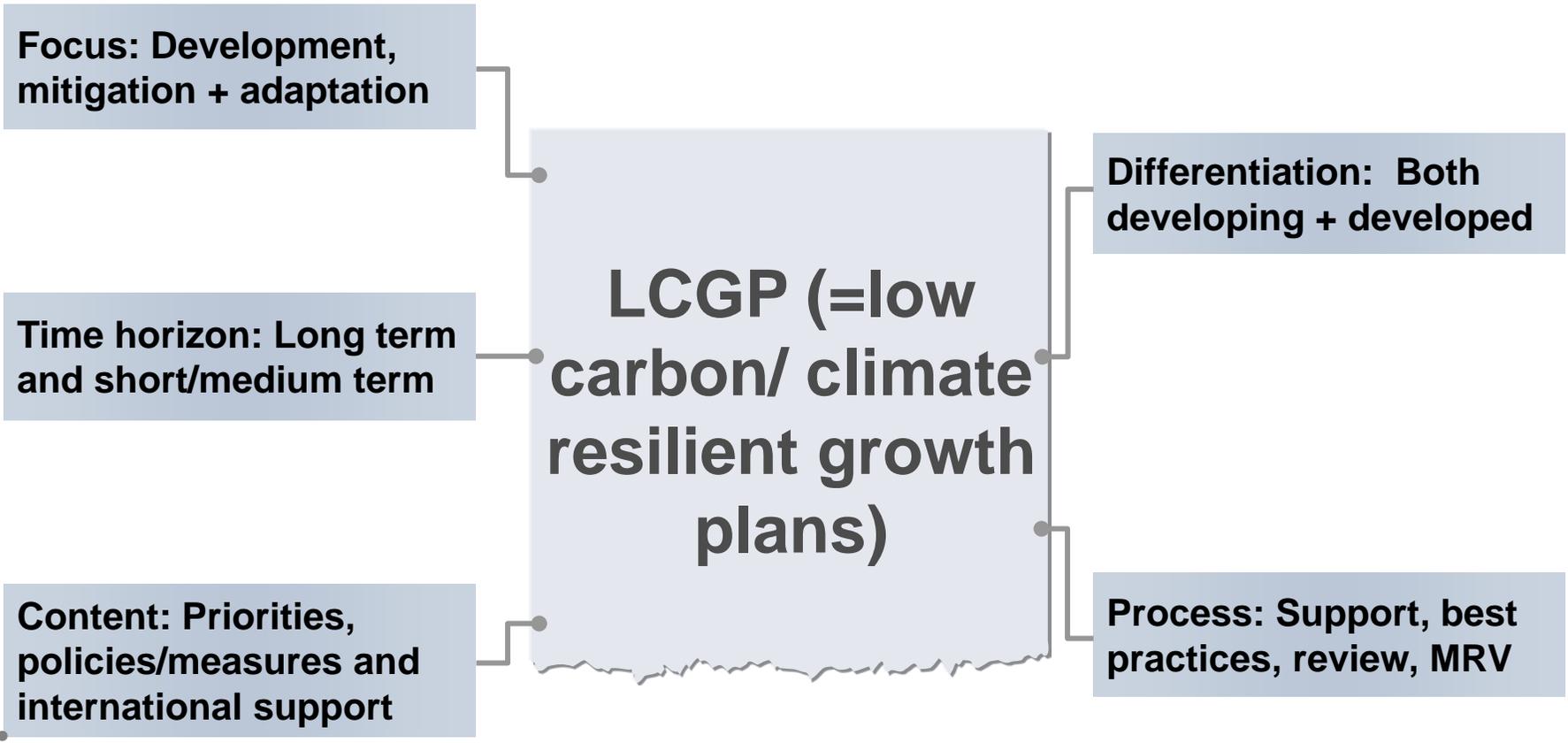
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Project Catalyst:

- Developing concept of low carbon growth as key element of new climate change agreement
- Developing method for low carbon growth planning (LCGP)
- Assisting 12 developing countries with starting LCGPs (also McKinsey direct)
- Evaluating good practices and success factors with LCGP
- Identifying ways to include LCGPs in Copenhagen agreement

Low carbon (and climate resilient) growth plans as a strategic instrument for *all* countries



- Senior leadership from within the government
- Strong scientific and economic data base
- Credible assessment of mitigation potential and costs of low carbon alternatives
- Good stakeholder engagement throughout the process of putting the plan together
- Ongoing iteration that builds consensus around priorities

See **Low Carbon Growth Plans: Advancing Good Practice**, August 2009, www.project-calalyst.info/

- Agreement Global Green Growth Institute (3GI/ Korea-Climateworks:
 - Korea based 3GI to assist developing countries create “green growth strategies” (2010 budget=M\$10)
 - “Green growth strategy”= national/local, fulfilling economic and development goals,, more sustainable, low emissions, improve climate resilience
 - Demonstrate Green Growth is possible across a wide range of sectors and country characteristics
 - Methodology development (low emissions and resilience)
 - Work with mixed country/ 3GI/ consultant team on the ground
 - Phase 1 country projects: Brazil, Ethiopia, Indonesia (Kalimantan)
 - Under consideration for 2011: South Africa, Ghana, Rwanda, Turkey, Kazakhstan, Malaysia

- European Climate Foundation “EU Roadmap 2050” study:
 - How to realise 80% GHG reduction in EU by 2050
 - Totally decarbonise EU power sector: high% RES
 - Electrify transport and built environment
 - Strong energy efficiency improvement
 - Technically and economically attractive: electricity cost prices comparable to BAU
 - Big investment in grid required
 - Lots of barriers to overcome

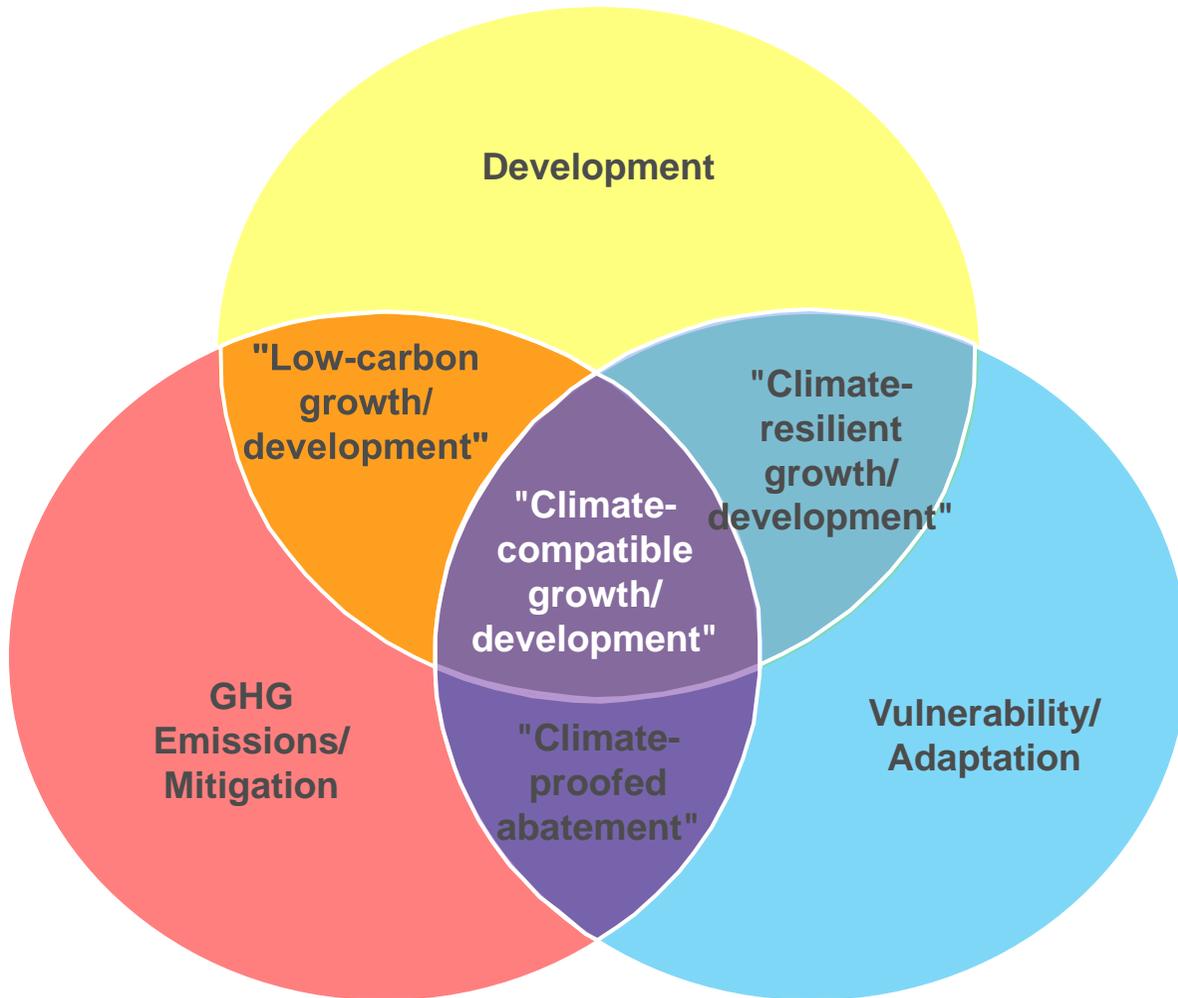
See www.roadmap2050.eu

www.project-catalyst.info

www.gggi.org

www.roadmap2050.eu

BACKGROUND



- **Development is essential for eradicating poverty**
- **Climate change can undermine development**
- **Development drives climate change**
- **Development choices are a big part of the solution**
- **Low carbon and climate resilient development as the integration of the development and climate change agenda**

Countries that Climateworks/ Catalyst/ McKinsey assisted with setting up LCGP (pre Copenhagen)

- Brazil
- China
- Dem Rep.Congo
- Egypt
- Ethiopia
- Guyana
- India
- Indonesia
- Kenya
- Malaysia
- Mexico
- Papua New Guinea

1 Strategic plan towards a low carbon and climate-resilient economy and sustainable development

2 Based on the socioeconomic and development priorities of the country

3 includes a strategic vision (long-term component) and specific actions (short- and medium-term component)

Topics covered by an LCGP

- National circumstances and current development plans
- Assessment of vulnerability to climate change
- GHG inventory
- Long-term vision for an economy with low GHG emissions and low vulnerability to climate change
- Specific investments to reduce vulnerability and to adapt existing infrastructure to the changing climate
- GHG mitigation plan containing
 - Projection of GHG emissions under BAU scenario for key economic sectors
 - Scenario the country can achieve without assistance
 - Scenario for which it would require international support
- NAMAs and NAPAs, including their incremental cost, and technology, financing and capacity building support needed (*for developing countries only*)

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- Resistance from vested interests (nuclear, gas)
- Conventional wisdom on limits to renewables (back-up, costs); believing the cost estimates
- Fossil fuel subsidies and ignoring fossil fuel risks
- Effective policies to realise strong energy efficiency improvement
- Making decarbonisation happen fast
- Realise European grid expansion and integrated system management
- Ensuring transition can be financed
- Transform transport system
- Electrify built environment
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