Quaker Council for European Affairs

Response to the European Commission's Consultation regarding

The Green Paper on

A 2030 framework for climate and energy policies

QCEA is registered on the European Commission's transparency register. Identification number: 3960234639-24

QCEA advocates a 2030 framework for climate and energy policies that includes:

- **an ambitious and binding energy efficiency target for 2030;**
- **an ambitious and binding renewables target for 2030 (by renewables, QCEA means only non-combustible energy sources, such as wind and solar power, excluding biofuels as well as nuclear energy);**
- **an ambitious and binding greenhouse gas emissions reduction target for 2030;**
- **a focus on energy efficiency and demand reduction, given the huge potential that these long-term, no-regrets policies have in leading us to a sustainable, low carbon economy;**
- **a refusal of policies that will result in false savings and environmentally destructive processes, such as fracking, carbon capture and storage, and biofuels;**
- **a reform of the Emissions Trading System in order that it be coherent with the 2030 targets. This includes retiring surplus allowances and setting a strong linear reduction target;**
- **recognition of the need for urgent action, bearing in mind that the emissions allowable in a 2°C trajectory are likely to be locked in by existing energy infrastructure before 2017[1].**

It is imperative that we do not exceed the 2°C warming limit beyond which climate change will be dangerous to life on Earth.

We call for an energy framework which prioritises:

- **human well-being;**
- **the protection of ecosystems and their services, including biodiversity, water cycling, soil quality, and air quality;**
- **long-term and truly sustainable solutions;**
- **transparency, accountability, and social justice.**

QCEA considers that this questionnaire places misguided emphasis on competition, economic growth and energy independence.

[1] IEA, (2013) *World Energy Outlook*

The Quaker Council for European Affairs (QCEA) is an NGO representing the views and concerns of European members of the Religious Society of Friends (Quakers) on issues of peace, human rights, economic justice, sustainability and democratic accountability. We advocate non-violent approaches to conflict resolution, promote policies that respect the intrinsic equality of all people everywhere, and try to ensure that European policy sustains the planet's resources and the lives of all those who share them. We have been active in these areas at the European level since 1979.

Section 4. Questions

4.1. General

· Which lessons from the 2020 framework[2] and the present state of the EU energy system are most important when designing policies for 2030?

The EU is dangerously behind in its progress to reach its energy efficiency target (the only one of the 2020 targets that is not legally binding) due to the insufficiency of relying solely on voluntary measures.[3] Binding targets provide certainty to all stakeholders and encourage strong action and innovation.[4] Whilst they alone cannot bring about the important changes we need, binding targets are an important prerequisite.

There are also lessons to be learnt from the fact that we are likely to surpass the current target of 20% reduction in greenhouse gases by 2020. The initial target was not sufficiently ambitious, and this risks creating complacency among stakeholders as well as uncertainty about the actions that will be required from them in the coming years. As a result, action to reduce greenhouse gas emissions could slow between now and 2030, creating a need to revive lost momentum. Future targets must be decided upon soon and be **significantly more ambitious** in order to reinvigorate efforts by all stakeholders. Time is of the essence if we are serious about meeting the 2050 target and avoiding catastrophic climate change. The biggest steps must be taken sooner rather than later in order to prevent emissions being locked in by existing energy infrastructure. According to the International Energy Agency (IEA), we only have until 2017 before the emissions allowable in a 2°C trajectory are locked in by existing energy infrastructure.[5]

2 EU member states are currently working to achieve by 2020 a package of 3 climate and energy goals, agreed in 2008. These are: a 20% reduction in EU greenhouse gas emissions from 1990 levels; an increase in the share of EU energy consumption produced from renewable resources to 20%; and a 20% improvement in the EU's energy efficiency compared to 1990 levels. Whilst we are on track to achieve the greenhouse gas and renewables targets, we are likely to miss the efficiency target by a number of percentage points. See the November 2012 issue of *Around Europe* for more information: http://www.qcea.org/wp-content/uploads/2012/11/AE346.pdf

3 SCHEUR.S, (2013) Coalition for Energy Savings. Quoted in NESLEN.A, 'Battle of narratives erupts over 2020 energy savings progress', *Euractiv*. http://www.euractiv.com/energy-efficiency/battle-narratives-erupts-2020-en-news-528102

4 P4, Climate Action Network Europe (2013), *BRIEFING, A New Climate and Energy Package*. Http://www.climnet.org/resources/publications/can-europe-publications/climate-finance/doc_view/2141-a-new-climate-and-energy-package-ngo-briefing-feb-2013-

5 IEA, (2013) *World Energy Outlook*

4.2. Targets

· Which targets for 2030 would be most effective in driving the objectives of climate and energy policy? At what level should they apply (EU, Member States, or sectoral), and to what extent should they be legally binding?

1. It is vital that we continue with a complete set of complementary targets covering **greenhouse gas reduction, renewables, and energy efficiency**. Reducing this to a single greenhouse gas emissions reduction target will simply result in a target that is not effective in mitigating climate change. On its own, an emissions reduction target will not bring about the systemic changes that are essential. Worse, it will encourage **false** savings such as:

- Shale gas. This is **not** an option for replacing coal power. The greenhouse gas emissions during the life cycle of a well (including after decommissioning) are too high to enable us to reach our long-term climate targets and stay within the vital 2°C limit, especially given the high risk of methane leakage. The fracking process contaminates water and soils, causing major concerns for the environment and public health.[6]
- Carbon Capture and Storage (CCS).[7] The lack of viable options means that this is not a solution, but rather a pipe dream for those hoping that they can continue to burn fossil fuels rather than making the long term systemic changes that we need to see.
- Biofuels. The current contribution of biofuels to the renewables target is too large, especially given the fact that many of them do not actually contribute to emissions reductions and also have negative consequences for biodiversity and food resources as well as land tenure and social justice. The contribution of biofuels to the 2030 targets should be limited.[8]

Instead, our priority must be on energy efficiency: a cost-effective, no-regrets policy without which it is impossible to bring about the essential long-term changes that we need to reach our 2050 target. The Commission's Energy Roadmap 2050 shows that "very significant energy savings are crucial to achieving all decarbonisation scenarios."[9] The energy efficiency target is essential in ensuring that we take **genuine** steps towards a low-carbon lifestyle. We cannot assume that we can continue with business as usual, or that we can take the easy way out. The energy efficiency target must represent a serious commitment to reducing our energy consumption.

2. Targets must be ambitious. A 2030 emissions reduction target of 40% would not be sufficient for a number of reasons:

- In 2007, the IPCC recommended that developed countries need to reduce their greenhouse gas emissions by 25-40% by 2020, in order to minimise the risk of 'dangerous'

6 For more information on the dangers of shale gas extraction see QCEA's blog: http://qceablog.wordpress.com/2013/06/07/overwhelming-citizen-response-in-eu-fracking-debate/

7 For a visual explanation of carbon capture and storage and the issues involved see Greenpeace International's diagram here: http://www.greenpeace.org/international/Global/international/planet-2/binaries/2008/5/ccs-at-a-glance-illustration.pdf

8 A number of civil society organisations recently signed this open letter to European decision-makers outlining the costs of biofuels and requesting that the EU make changes to its 'failed' biofuels policy: http://www.cidse.org/content/publications/just-food/land-land-grabbing/open-letter-to-eu-policy-makers-on-biofuels.html

9 European Commission, (2011), *Energy Roadmap 2050*, http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2011:0885:FIN:EN:PDF

climate change.[10] In light of the latest science, it is likely that the forthcoming IPCC report will recommend even faster, stronger reductions in order to maintain any possibility of staying below the necessary 2°C. [11]

- We are already on track to meet the 2020 emissions target, and continuing along this track is essential. More ambitious 2030 targets will boost the momentum of mitigation actions between now and 2020, as stakeholders will already have their sights on working towards 2030.
- The Council of the European Union[12] recently stated its commitment to an equitable and just approach to sustainable development and resource use[13]. A fundamental element in achieving this is accepting its share of the responsibility for combatting climate change. A 40% emissions reduction target does not represent the EU share of responsibility for global emissions. According to analysis commissioned by Greenpeace and Ecofys, a target of 49% (as the median of a range of national targets from 39% to 79%) would be more suitable in this regard.[14] A higher target would give the EU greater leverage in negotiating a strong international climate change agreement.

3. Targets *must* be legally binding in order to be effective, as demonstrated by the current lack of progress on the voluntary 2020 efficiency target. They will also give the EU leverage to inspire a strong global agreement.

4. The scope of the headline targets should be European, but they should also be broken down to national level so that member states maintain clarity, responsibility and flexibility in contributing to the headline targets.

· Have there been inconsistences in the current 2020 targets and if so how can the coherence of potential 2030 targets be better ensured?

According to a report by Greenpeace and Ecofys, "several studies (e.g. Commission analysis on the 2050 low carbon roadmap[15] or a study by Ecofys 2011[16]) combined the EU 20% renewable energy share with the indicative 20% energy efficiency target for 2020. Together they lead to an emissions reduction of 25 to 30%, which is significantly lower than the overall 2020 greenhouse gas emissions target of 20% below 1990. Assuming additional reductions in non-energy sectors, domestically, a reduction up to 32% was deemed possible."[17]

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10 International Panel on Climate Change (2007), *Fourth Assessment Report*, Chapter 13:Policies, instruments, and co-operative arrangements, p 776, http://www.ipcc.ch/pdf/assessment-report/ar4/wg3/ar4-wg3-chapter13.pdf

11 Friends of the Earth Europe, (2013), *Why Europe needs binding targets for 2030 - for greenhouse gas emissions reductions, renewable energy and energy savings.* Http://www.foeeurope.org/2030-climate-plan

12 In this instance the General Affairs configuration of the Council of the European Union, which is made up of the Foreign Ministers of each Member State.

13 The EU Council, (2013), *EU Council conclusions on the Overarching Post 2015 Agenda*, http://www.eu-un.europa.eu/articles/en/article_13692_en.htm

14 Ecofys, (2013), *The next step in Europe's climate action: setting targets for 2030.* http://www.greenpeace.org/eu-unit/Global/eu-unit/reports-briefings/2013/ecofys_PolicyPaper.pdf

15 European Commission, (2011). *Commission staff working document - impact assessment - accompanying document to the communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee of the regions - a roadmap for moving to a competitive low carbon economy in 2050* {COM(2011) 112 final} {SEC(2011) 289 final}

16 Höhne, N., Hagemann, M., Moltmann, S., Escalante, D., (2011). *Consistency of policy instruments. How the EU could move to a -30% greenhouse gas reduction target*

17 Ecofys, (2013), *The next step in Europe's climate action: setting targets for 2030*. P4-5 http://www.greenpeace.org/eu-unit/Global/eu-unit/reports-briefings/2013/ecofys_PolicyPaper.pdf

· Are targets for sub-sectors such as transport, agriculture, industry appropriate and, if so, which ones? For example, is a renewables target necessary for transport, given the targets for CO2 reductions for passenger cars and light commercial vehicles?

Sub-sector targets are important in ensuring that each stakeholder has the clarity and direction that they need, allowing the headline targets to be effectively operationalised and ensuring collective responsibility and action. Emissions reduction targets should also be accompanied by renewables and efficiency targets at a sub-sector level in order to provide direction about how the reductions should be achieved and to avoid false savings, such as shale gas, carbon capture and biofuels. Subsector targets must remain coherent with European development and environmental policy.

· How should progress be assessed for other aspects of EU energy policy, such as security of supply, which may not be captured by the headline targets?

Security of supply *can* be captured by the headline targets. If these headline targets include a renewables target and an efficiency target, they will reduce Europe's dependence on fossil fuels, in favour of more sustainable options. Europe's dependence on fossil fuels imports is at the heart of its fears about security of supply.

Headline targets may not capture the impacts of energy policy on ecosystems and their services, biodiversity, water cycling, and human health. The impact of European energy policy on vital areas such as these must be monitored and carefully controlled. It is essential that the EU ensures coherence between various policy objectives.

4.3. Instruments

· Are changes necessary to other policy instruments and how they interact with one another, including between the EU and national levels?

Environmentally harmful subsidies directly undermine the EU's targets on greenhouse gas emissions, renewables, and efficiency. Currently, 15% of global CO_2 emissions receive an incentive of US$110 per tonne in the form of fossil fuel subsidies.[18] In order for the EU to be successful in meeting its 2030 climate and energy targets, concrete action must be taken to phase out these subsidies. And subsidies for non-combustible renewables must be increased.

If the Emissions Trading System (ETS) is to continue and is to be effective, urgent measures must be taken to address its failings[19]. This includes permanently retiring the rising surplus of emission allowances, rather than backloading, and introducing a strong linear reduction factor.[20]

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18 IEA (2013), *Redrawing the energy climate map*, Paris: IEA Publications, p.11

19 The Emissions Trading System is a European-wide scheme in which certain sectors are allocated limited allowances to emit greenhouse gases. Due to an initial over-allocation of allowances, coupled with the economic downturn, there is currently a surplus of allowances on the market resulting in a current price of only €3 per allowance. Experts estimate that for the ETS to be successful in reducing emissions this price must be at least €40. At present the institutions are considering backloading this surplus of allowances, which means temporarily taking them off market in order to revive the price. QCEA believe that is not sufficient and this surplus must be permanently taken off the market in order to have a serious impact on emissions. For more information on how this will effect future climate and energy policies see: Http://www.guardian.co.uk/environment/2013/jun/25/eu-emissions-trading-scheme-energy

20 The Greens EFA, (2013), *Emission Trading system backloading*, http://www.greens-efa.eu/emissions-trading-system-backloading-

Mechanisms such as the ETS *must* be reinforced by legally binding legislation such as strong 2030 targets. We cannot depend on volatile market mechanisms to bring about the changes that we need.

· How should specific measures at the EU and national level best be defined to optimise cost-efficiency of meeting climate and energy objectives?

Whilst cost efficiency may be one of many factors considered in the *implementation* of the 2030 targets, it should not be a principal consideration in the *setting* of the targets. Cost should **always** come second to the consideration of how effectively a policy mitigates climate change. The price of action should be compared to the benefits that it brings, and to the costs of inaction. We must challenge those who claim that strong climate and energy policies will have detrimental impacts on industry and business to support these claims with full transparency and scientific accuracy.

Setting strong 2030 climate targets will ensure that the EU contributes to global efforts to remain within the 2°C limit, beyond which climate change will have catastrophic consequences for life on Earth. This has no price tag. Any delay will lead to greater risk to human well-being and even greater expense.

· Which measures could be envisaged to make further energy savings most cost-effectively?

Of the options available to us, the efficiency savings potential in our built environment stands out. The potential efficiency savings are enormous, via widespread retrofitting of homes into passive[21] and low-carbon buildings, using decentralised and renewable energy sources. Not only do statistics show that buildings account for 40% of end-use energy consumption, and 36% of the EU's CO_2 emissions,[22] but, for every euro invested in the sustainable refurbishment of housing, two euros *aren't* needed for the production of energy.[23] Energy efficiency in the built environment offers many benefits for home-owners, tenants and housing associations, including more energy-efficient buildings (warmer), an attractive residential environment (better), and significant cost savings for users (cheaper).[24]

4.4. Competitiveness and security of supply

· Which elements of the framework for climate and energy policies could be strengthened to better promote job creation, growth and competitiveness?

The wording of this question betrays an underlying assumption that growth and jobs are synonymous with development and well-being. All too often, increasing consumption is promoted as a way of increasing GDP which, it is believed, will in turn increase development and well-being. If we are serious about leading Europe, and the world, towards a low carbon lifestyle and thus keeping within the 2°C necessary, we must end this false assumption.

10110.html

21 Passive houses are buildings which, through making efficient use of sun energy, ventilation and installation, allow for energy savings of up to 90% compared with the average central European building.

22 European Commission, DG Energy (2011) *Energy Efficiency in Buildings* webpage, http://ec.europa.eu/energy/efficiency/buildings/buildings_en.htm

23 United Nations Economic Commission for Europe (2009) *'Better houses rather than more power plants'*. http://www.unece.org/press/pr2009/09env_p05e.htm

24 For more information, see QCEA's briefing paper (2011), *Energy Efficiency and Savings: The under-utilisation of Europe's energy savings potential*, http://www.qcea.org/wp-content/uploads/2011/09/bp-susensec1-en-apr-2011.pdf

Instead we should be asking the question **"which elements of the framework for climate and energy policies could be strengthened to improve global human well-being?"**

In this regard, energy efficiency legislation offers the most effective, long-term and sustainable policy. It also contributes to keeping bills down, even if energy prices per unit rise, enabling all members of society, including the vulnerable, to meet their energy needs. If we succeed in meeting the vital 20% energy savings target by 2020, we could see potential savings of up to €78 billion a year[25] (or approximately €380 per household per year), demonstrating the societal benefits of setting strong 2030 energy efficiency targets.

Strong energy efficiency legislation would also boost innovation in low carbon industries and services, boosting employment opportunities. Furthermore, according to the International Energy Agency, if Europe continues to delay the pace of its decarbonisation agenda, it will miss the most cost-effective opportunity in a generation to clean up its infrastructure.[26]

We must set our sights on progressing towards a 100% renewable energy economy (by renewables, QCEA specifically refers to non-combustible energy sources, such as wind and solar power, and excludes biofuels and nuclear energy). Efficiency will allow us to have a 100% renewable economy at lower cost and with greater social well-being.

· What evidence is there for carbon leakage under the current framework and can this be quantified? How could this problem be addressed in the 2030 framework?

A strong global deal in 2015 must be a priority in order to address carbon leakage. The EU must continue to lead global negotiations and, in order to do so, must have established ambitious and binding 2030 targets. It should also have revised its 2020 emissions target upwards.

Secondly, reducing Europe's demand for energy is paramount to minimising carbon leakage and ensuring genuine global emissions reductions. This reinforces the need for an EU 2030 energy efficiency target.

We must consider the climate impact of everything we consume (including climate impacts such as indirect land use change[27]). We must question how much we really need for well-being. Embracing a more simple lifestyle can have positive impact for the climate, environment and human well-being. The 2030 targets, accompanied by a strong Sustainable Consumption and Production Action Plan must lead Europeans to consume no more than their fair share.

A second important step is to develop policies that make it cheap **not** to emit greenhouse gases, rather than expensive to emit. This is another reason why an ambitious renewables target for 2030 is vital. Such a target, coupled with the shifting of subsidies towards renewable energy sources, will promote the research and development needed in order to bring the price of renewables down, making them a viable alternative.

25 ECOFYS and Fraunhofer ISI (2010) '*Energy Savings 2020: How to triple the impact of energy saving policies in Europe*' http://roadmap2050.eu/attachments/files/1EnergySavings2020-FullReport.pdf

26 International Energy Agency (2010) '*World Energy Outlook 2010, Executive Summary*'. http://www.worldenergyoutlook.org/docs/weo2010/WEO2010_ES_English is that after ambitious.pdf

[27] When considering the greenhouse gas emissions of a crop, material, near or resource, we must also take into consideration the former use of the land on which this is grown or extracted.

How can the EU best exploit the development of indigenous conventional and unconventional energy sources within the EU to contribute to reduced energy prices and import dependency?

We cannot afford to put the questions of energy prices and import dependency above the urgent need for a serious transition to a low carbon way of life. Whilst energy prices per unit may rise, we can keep bills down through energy efficiency and lifestyle changes which protect human well-being and the ability of all to meet their needs. Our unquestionable priority must be to ensure that we remain below the 2°C limit, beyond which we will face catastrophic climate change which will have grave impacts for our life on Earth.

For this reason we **cannot depend** on indigenous conventional or unconventional **fossil fuels**, which only provide a short-term fix for energy prices and import dependency whilst having very negative consequences on climate and environment. It is imperative that we end our fossil fuel dependency. Developing sources such as shale gas is not a solution and will have dangerous consequences for the environment and climate, and therefore also for our well-being.

Our only option for improving indigenous energy sources is to develop renewables (by renewables, QCEA specifically means non-combustible energy sources, such as wind and solar power, and excluding biofuels as well as nuclear energy) to the extent that they provide a viable and cost-effective alternative to these harmful fossil fuels. In order to do this, fossil fuel subsidies must end, and those renewables that bring about genuine emissions reductions must be more fully subsidised and supported by policy. According to the IEA, global fossil fuel subsidies amount to around 6 times the level of support to renewable energy.[28]

We do not own the world, and its riches are not ours to dispose of at will. We must show a loving consideration for all creatures, and seek to maintain the beauty and variety of the world. We must work to ensure that our increasing power over nature is used responsibly, with reverence for life. [29]

A strong, ambitious, and binding 2030 Framework for Climate and Energy Policies is essential if Europe is to play its role in keeping the world on a 2°C trajectory. We cannot sacrifice human and environmental well-being for the sake of economic growth and increasing luxury.

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28 IEA (2013), *Redrawing the energy climate map*, Paris: IEA Publications, p.11

[29] The Yearly Meeting of the Religious Society of Friends (Quakers) in Britain, *Advices and Queries*, 1.02 (42)