



Speech by Commissioner Arias Cañete at the Climate Action EU for Talanoa Conference

Brussels, 13 June 2018

Ladies and gentlemen,

I am delighted to welcome you all to this conference on the EU's contribution to the **Talanoa Dialogue**.

The Talanoa Dialogue is the first political opportunity after Paris to collectively look at progress made in achieving the agreed objectives almost 3 years later on. It is a **credibility test for the international community**.

In line with the vision and the objectives of the Paris Agreement, politicians, stakeholders and citizens around the world are getting together throughout 2018 to discuss: where we are; where we want to go; and how we can get there.

Later this year the Intergovernmental Panel on Climate Change – the IPCC – will deliver its special report on 1,5 degrees, which will also be an important input to the Talanoa Dialogue and its political phase involving the Ministers at COP24.

To ensure Talanoa is a real success that relates to the real world and government choices, we must:

First, have the courage to look at scientific evidence;

Second, acknowledge that more needs to be done collectively at global level to bring us on track with the Paris objectives and;

And third, focus on the many solutions and huge potential offered by the low-carbon transformation.

Today marks an **important day in our contribution to the Talanoa Dialogue** and I look forward to hearing about solutions and opportunities throughout this conference here today.

Throughout Talanoa, the EU will continue to share its experiences in designing and implementing ambitious climate policies.

Throughout Talanoa, the EU will continue to share its vision on how we are transforming Europe into a modern, low-carbon economy.

Throughout Talanoa, the EU will continue to share its story:

A story of **ambition**, a story of **commitment**, a story of **solidarity**.

First, our story is one of ambition

The EU has the world's most ambitious climate policies. Out of all the 172 National Determined Contributions (NDCs) today, the EU is, without any doubt, the most ambitious one.

As you know, the EU has committed to cut its emissions by at least 40% by 2030 with respect to 1990 levels.

And I am optimistic that we will be able to even raise the ambition bar. Later today, I will be travelling to Strasbourg where I will participate in, hopefully, the last two trilogues on our legislation on renewables and energy efficiency.

As the positions of the European Parliament and the Council stand today, I would expect the landing ground of the targets to be over 30% both on renewables and on energy efficiency.

If confirmed, this would de facto mean that the European Union would be in a position to raise its level of ambition and go beyond the current 2030 target.

Ambition can also be bottom-up: by strengthening our tools, renewables and energy efficiency in this case, we can also raise our top headline target.

I will do my utmost to agree an ambitious deal on both files this evening with the European Parliament and the Council.

And as we look into how we can increase our ambition post-2020, our actions pre-2020 have already brought results.

The latest available figures show that from 1990 to 2016, the EU reduced its emissions by 23%, while its GDP grew by over 50%.

This is, in essence, of our story today: **climate action and economic growth go together.**

But our climate ambition does not stop at 2030: we have a long-term objective to transform Europe into a truly low-carbon society, and help meet the Paris Agreement goals.

In March, EU leaders asked the Commission to put forward a proposal for a **EU long-term strategy for reducing greenhouse gas emissions.**

And we have taken up the challenge: the Commission has already begun its preparatory work, and we aim to present our proposal in November, before the COP24 climate summit in Katowice in December, where the political phase of the Talanoa Dialogue will take place.

At the moment, we are conducting a deep economic, social and environmental analysis for this strategy, based on the best scientific information. We will also include the results of the forthcoming IPCC report on limiting the global temperature rise to 1.5 degrees.

One thing is clear: if we want to pursue efforts to achieve a well below 2C and a 1.5C temperature change as included in the Paris Agreement, we will need to look at higher reductions in emissions.

Our strategy will look at ambitious options, including net-zero greenhouse gas emissions in 2050, as well as milestones and pathways to meet these options.

In preparing our proposal, we will seek the widest and best possible input from all stakeholders – academics, businesses and all parts of civil society – through a public consultation to be launched in the coming weeks.

We will also hold a major stakeholder conference on the 10th and 11th of July here in Brussels, to discuss the strategy's top priorities and key factors, such as cost efficiency, the role of innovation and finance and how all actors can contribute. I hope to see you all there!

The Commission proposal will mark the beginning of the process and the debate. Once our proposal is out, we will engage in conversations around future policies involving again all stakeholders, the Member States and the European Parliament.

We hope – and expect – the other governments have the readiness to initiate similar processes in light of the Talanoa Dialogue and the latest science.

Second, our story is one of commitment.

As distinctive as our ambition level is our solid commitment to deliver on our targets: unlike many others, the **EU has enshrined its policies and targets into law.**

This means certainty, stability and durability for our policies and targets.

We are into the fourth year of this Commission and we have tabled almost all of the legislative proposals intended to meet our targets, as outlined at the start of the mandate.

Our regulatory framework for 2030 is almost complete and it is delivering the first results.

EU decision-makers have agreed to modernise our **Emissions Trading System post-2020**, and the market has already anticipated these improvements with a carbon price of around 16 euro per ton of CO2 today. We expect the carbon price to increase even further in the coming years and become a strong driver of clean investments.

We also agreed the **2030 targets for Member States for reducing emissions in sectors not covered by the Emissions Trading System**, including transport, buildings and agriculture.

In the **transport sector**, where emissions are still higher today than in 1990, the Commission has proposed ambitious action by 2030: CO2 emission targets for new cars and vans and also, for the first time ever, CO2 targets for heavy duty vehicles.

We have also tabled the **Clean Energy for All Europeans package** which puts in place the world's

most advanced regulatory framework to enable the European Union to remain frontrunner in the clean energy transition.

The first proposal of the package formally adopted has been the **revised Energy Performance in Buildings**.

Given that the building sector is the largest single energy consumer in the European Union, and three-quarters of our building stock is energy inefficient, this legislation will help us cutting our emissions.

As I mentioned earlier, negotiations are also at the final stage on other key pieces of legislation of our Clean Energy for All European package, including on renewables, energy efficiency and governance.

My message to the Parliament and the Council today is clear: **we must be bold!** Our ambition level for energy efficiency and renewables should: enable us to achieve our commitments under the Paris Agreements; reflect the most recent developments for renewables technologies; send a clear message that investing in clean energy transition brings benefits for our economy in terms of growth and jobs, for the competitiveness of our industries and for individual consumers.

It is also vital that we maintain the coherence of the whole package. In that sense, I must underline that for the first time we will have to agree on an Energy Union Governance encompassing all sectors of the energy policy and integrating climate policy.

While the low-carbon transition will require determined efforts from Member States and stakeholders across the whole economy there must be sufficient **financial support and incentives**.

This is why the **EU's next long-term budget**, for 2020 onwards, has an important role in the transformation towards a clean energy economy and a more sustainable, more resilient Europe.

The European Commission's budget proposal, issued last month, includes several important elements here, including:

A target to spend 25% of the whole EU budget on climate-related action, up from the current 20%; and ensuring adequate financing for key energy investments. For instance, with a total envelope of 42.3 billion euros, the new Connecting Europe Facility will support, among others, key interconnections, smart grids and charging infrastructure for low- and zero-emission vehicles.

And finally, our story is one of solidarity.

The European Union remains the largest provider of Official Development Aid in the world.

In 2016, collective EU development assistance increased for the fourth consecutive year - reaching EUR 75.5 billion.

This is our highest ever level of support representing close to 60% of total global efforts.

The EU and its Member States are also the biggest contributors of climate finance to developing countries. Our public climate finance grew to over 20 billion euros last year, with represents half of the world's total. This is an increase of more than 15% compared to 2015 or more than double compared to 2013.

This significant increase shows the importance of making swift and ambitious progress on the Paris Agreement's transformational objective to make finance flows consistent with a pathway towards a low-carbon future.

The EU remains committed to the collective goal of mobilising USD 100 billion a year in climate finance by 2020 and through to 2025 for climate action in developing countries.

But it is true that no single country, acting alone, can take the USD 100 billion out of reach.

Still, the world can count on the EU as we will continue to look how to mobilise further finance from a range of available sources, including the private sector, the multilateral development banks or increased public contributions to the Green Climate Fund.

Ladies and gentlemen,

Our story cannot be told without the broad and active involvement of stakeholders, businesses, NGOs, investors, labour unions and the broader public.

Without you, we cannot succeed. You push us forward.

Last week at the G7 summit, the leaders of Canada, France, Germany, Italy, Japan, the UK and the EU reaffirmed their commitment to reach a global-carbon neutral economy over the course of the second half of the century.

In this global transition, the EU is ready to do its fair share, and work with all global partners to make the low-carbon transition a successful and inclusive one.

We clearly cannot do it alone: the EU accounts for less than 10% of global emissions today. To succeed, we need all countries, regions and actors round the world on board.

The Talanoa Dialogue is an ideal platform for coming together to share experiences and ideas, so we can move forward and get on a path towards achieving the Paris goals.

So I look forward to a fruitful exchange on these issues here today – and your active participation in the EU and global climate journey.

Thank you.

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