Mitigation of Climate Change

IPCC Working Group III
contribution to the

Fourth Assessment Report

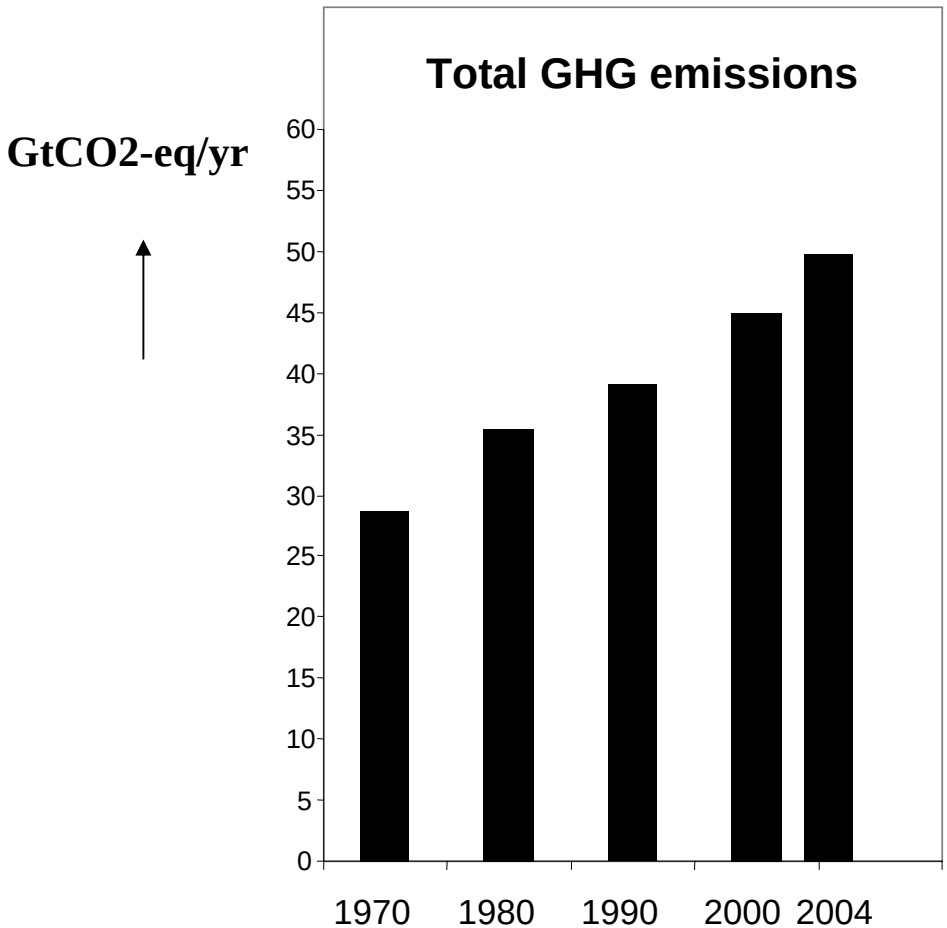
The process

- Three year process
- Assessment of published literature
- Extensive review by independent and government experts
- Summary for Policy Makers approved line-by-line by all 180 IPCC member governments (Bangkok, May 4)
- Full report and technical summary accepted without discussion

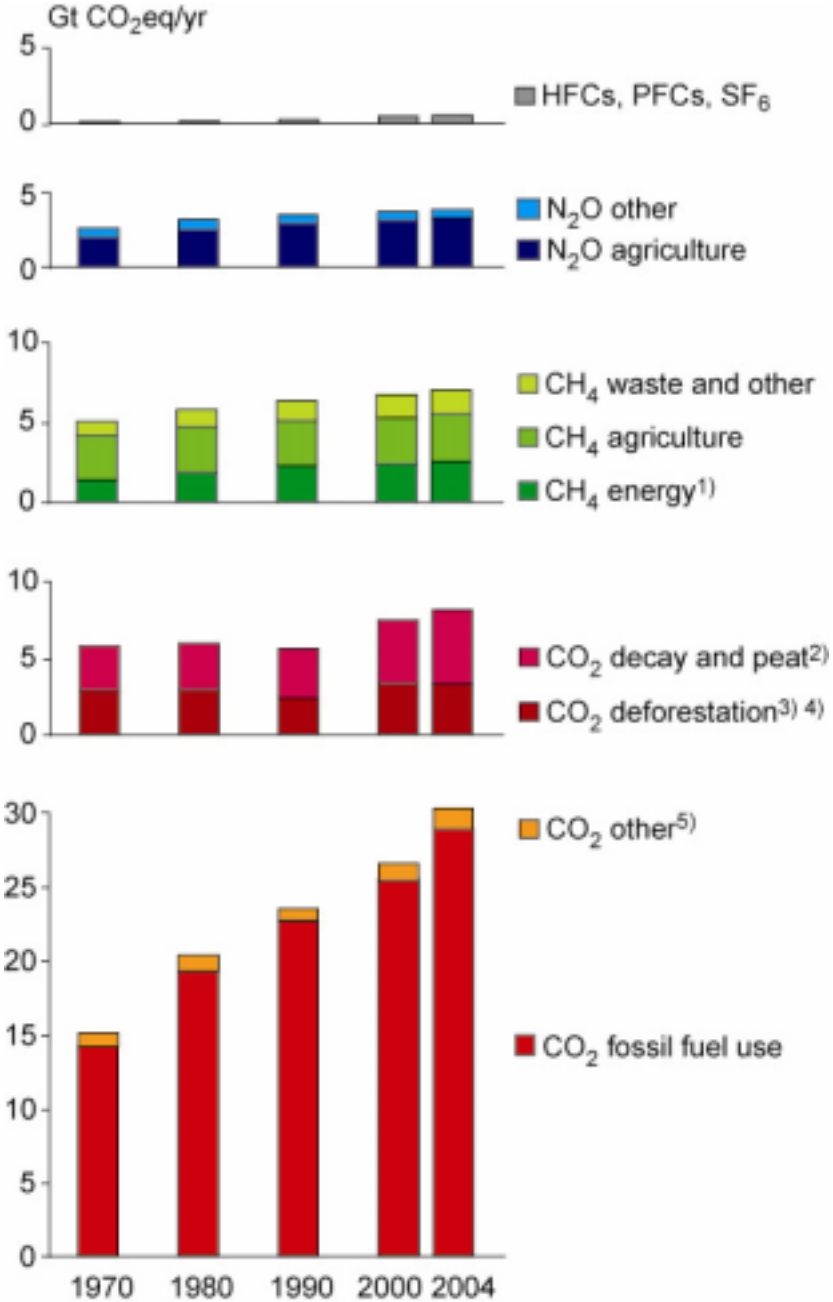
The people

– 168 Lead Authors
– 59 Authors from developing countries
– 106 Authors from developed countries
– 84 Contributing authors
– 485 Expert Reviewers

Between 1970 and 2004 global greenhouse gas emissions have increased by 70 %



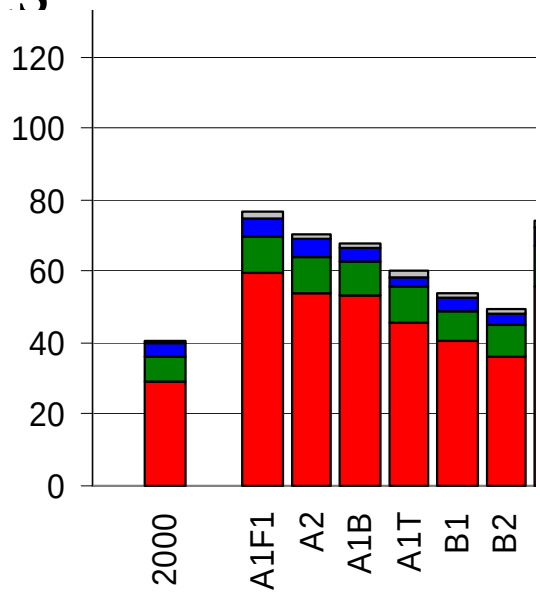
Carbon dioxide is the largest contributor



Future emissions will grow further

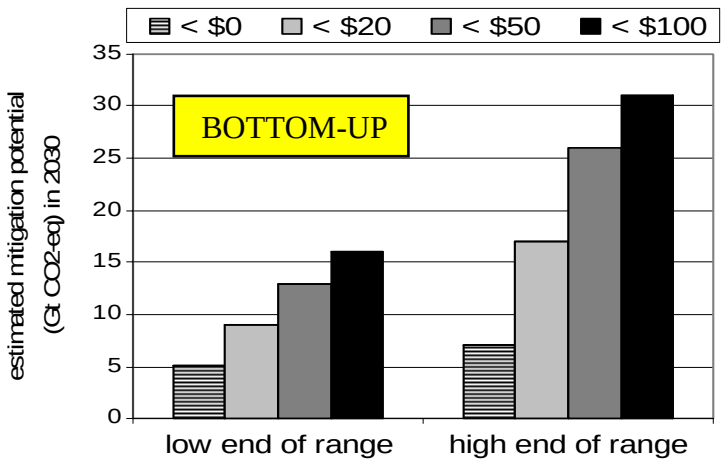
- With current climate change mitigation policies and related sustainable development practices, global GHG emissions will continue to grow over the next few decades

- IPCC SRES scenarios: 25-90 % increase of GHG emissions in 2030 relative to 2000



Substantial economic potential for the mitigation of global GHG emissions over the coming decades

- Both bottom-up and top-down studies
- Potential could offset the projected growth of global emissions, or reduce emissions below current levels



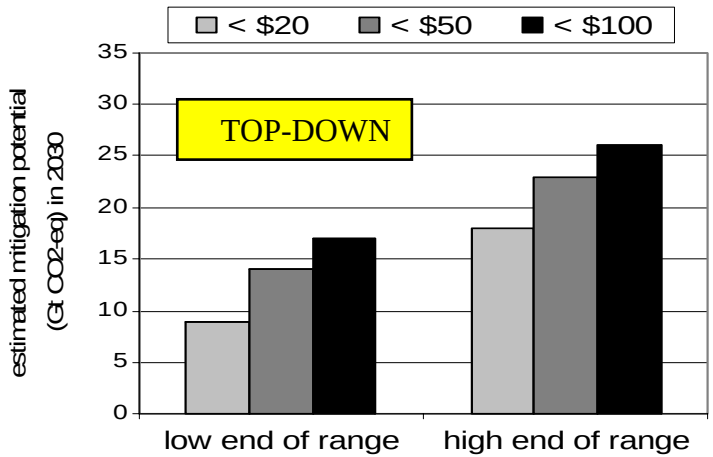
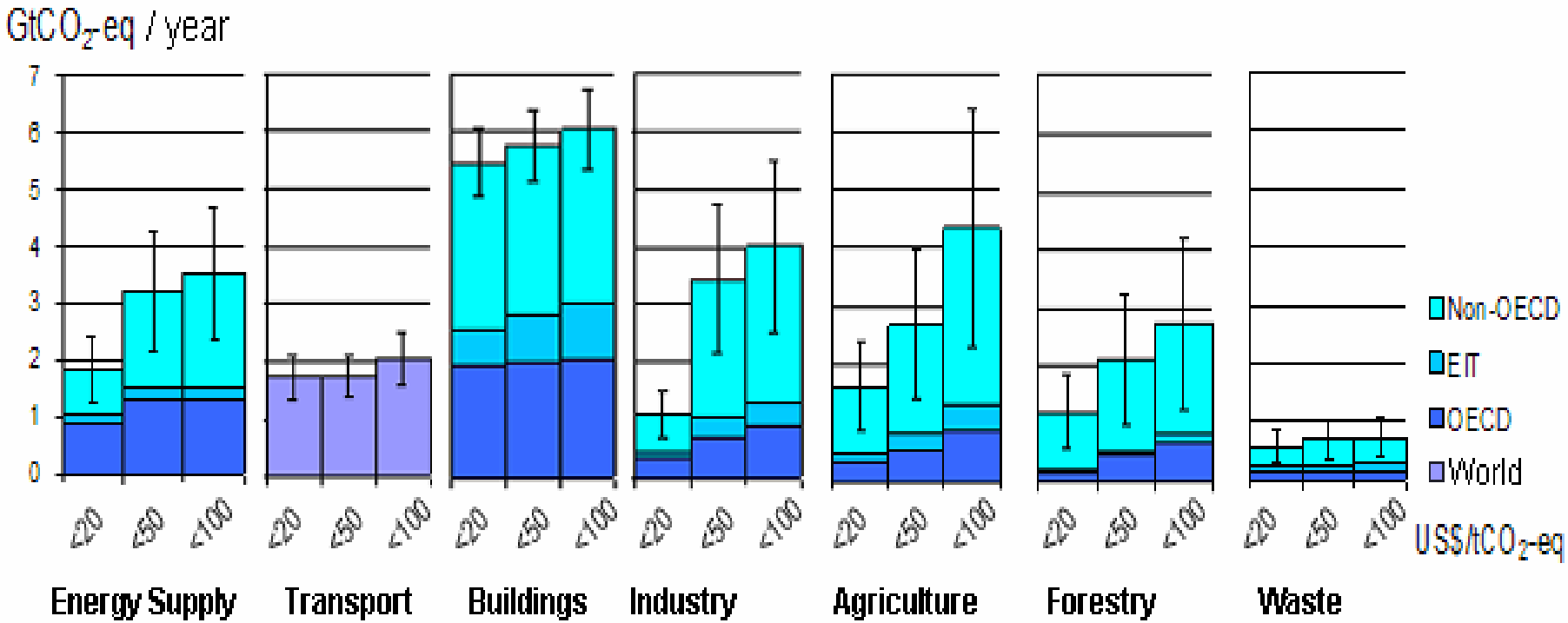


Figure SPM 5A: *Global economic potential in 2030 estimated. Cost categories in US$/tCO2eq.*

Figure SPM 5B: *Global economic potential in 2030 Cost categories in US$/tCO2eq..*

Note: estimates do not include non-technical options such as lifestyle changes

All sectors and regions have the potential to contribute



Note: estimates do not include non-technical options, such as lifestyle changes.

How can emissions be reduced?

Sector	**(Selected) Key mitigation technologies and practices currently commercially available.**
Energy Supply	efficiency; fuel switching; nuclear power; renewable (hydropower, solar, wind, geothermal and bioenergy); combined heat and power; early applications of CO2 Capture and Storage
Transport	More fuel efficient vehicles; hybrid vehicles; biofuels; modal shifts from road transport to rail and public transport systems; cycling, walking; land-use planning
Buildings	Efficient lighting; efficient appliances and airco; improved insulation ; solar heating and cooling; alternatives for fluorinated gases in insulation and aplliances

How can emissions be reduced?

Sector	**(Selected) Key mitigation technologies and practices currently commercially available.**
Industry	More efficient electrical equipment; heat and power recovery; material recycling; control of non-CO_2 gas emissions
Agriculture	Land management to increase soil carbon storage; restoration of degraded lands; improved rice cultivation techniques; improved nitrogen fertilizer application; dedicated energy crops
Forests	Afforestation; reforestation; forest management; reduced deforestation; use of forestry products for bioenergy
Waste	Landfill methane recovery; waste incineration with energy recovery; composting; recycling and waste minimization

Changes in lifestyle and behaviour patterns can contribute to climate change mitigation

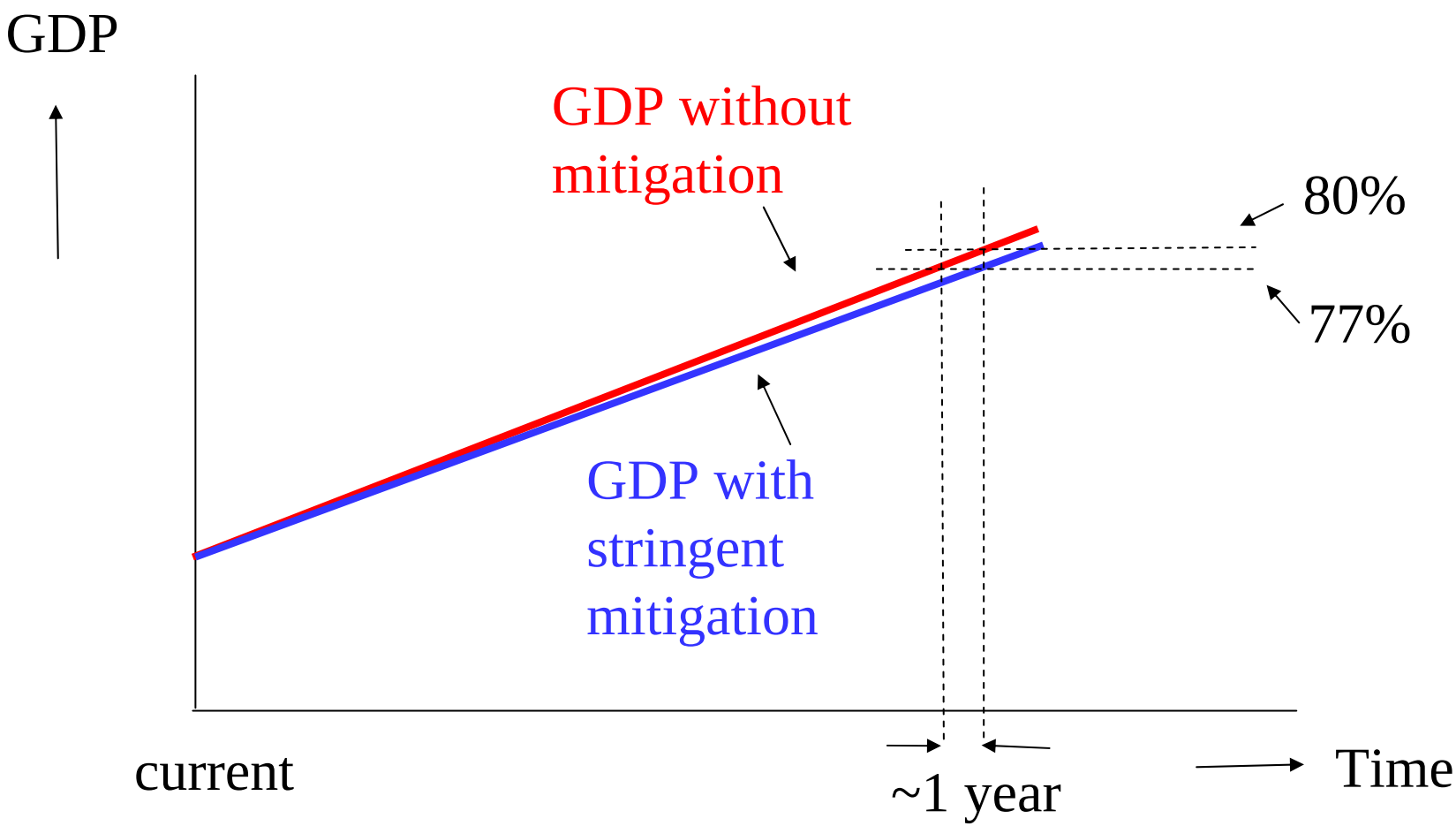
- Changes in occupant behaviour, cultural patterns and consumer choice in buildings.
- Reduction of car usage and efficient driving style, in relation to urban planning and availability of public transport
- Staff training, reward systems, regular feedback and documentation of existing practices in industrial organizations

What are the macro-economic costs in 2030?

Stabilization levels (ppm CO_2-eq)	Median GDP reduction [1] (%)	Range of GDP reduction [2] (%)	Reduction of average annual GDP growth rates [3] (percentage points)
590-710	0.2	-0.6 – 1.2	< 0.06
535-590	0.6	0.2 – 2.5	<0.1
445-535 [4]	Not available	< 3	< 0.12

[1] This is global GDP based market exchange rates.
[2] The median and the 10th and 90th percentile range of the analyzed data are given.
[3] The calculation of the reduction of the annual growth rate is based on the average reduction during the period till 2030 that would result in the indicated GDP decrease in 2030.
[4] The number of studies that report GDP results is relatively small and they generally use low baselines.

Illustration of cost numbers



There are also co-benefits of mitigation

- Near–term health benefits from reduced air pollution may offset a substantial fraction of mitigation costs
- Mitigation can also be positive for: energy security, balance of trade improvement, provision of modern energy services to rural areas and employment

BUT

- Mitigation in one country or group of countries could lead to higher emissions elsewhere (“carbon leakage”) or effects on the economy (“spill-over effects”).

Long term mitigation (after 2030)

- The lower the stabilization level, the more quickly emissions would need to peak and to decline thereafter
- Mitigation efforts over the next two to three decades will have a large impact on opportunities to achieve lower stabilization levels

Stab level (ppm CO2-eq)	Global Mean temp. increase at equilibrium (°C)	Year CO2 needs to peak	Reduction in 2050 compared to 200
445 – 490	2.0 – 2.4	2000 - 2015	-85 to -50
490 – 535	2.4 – 2.8	2000 - 2020	-60 to -30
535 – 590	2.8 – 3.2	2010 - 2030	-30 to +5
590 – 710	3.2 – 4.0	2020 - 2060	+10 to +60
710 – 855	4.0 – 4.9	2050 - 2080	+25 to +85
855 – 1130	4.9 – 6.1	2060 - 2090	+90 to +140

Stabilisation levels and equilibrium global mean temperatures

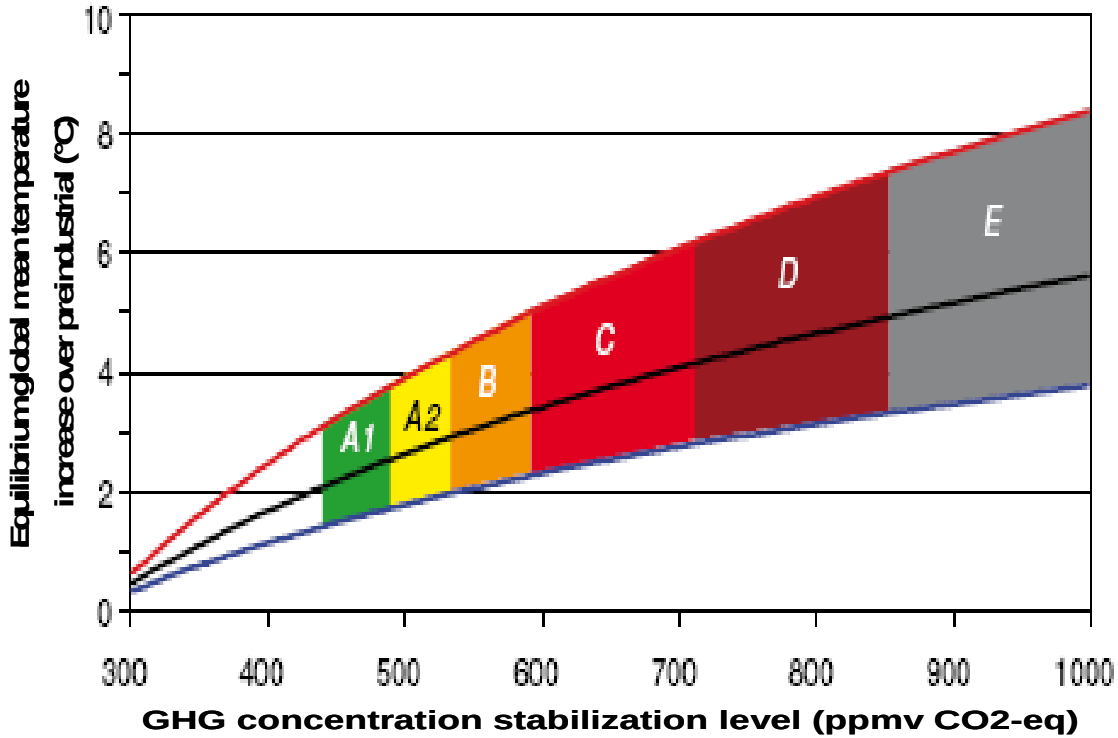


***Figure SPM 8**: Stabilization scenario categories as reported in Figure SPM.7 (coloured bands) and their relationship to equilibrium global mean temperature change above pre-industrial, using (i) "best estimate" climate sensitivity of 3° C (black line in middle of shaded area), (ii) upper bound of likely range of climate sensitivity of 4.5° C (red line at top of shaded area) (iii) lower bound of likely range of climate sensitivity of 2° C (blue line at bottom of shaded area). Coloured shading shows the concentration bands for stabilization of greenhouse gases in the atmosphere corresponding to the stabilization scenario categories. The data are drawn from AR4 WGI, Chapter 10.8.*

What are the macro-economic costs in 2050?

Stabilization levels (ppm CO_2-eq)	Median GDP reduction[1] (%)	Range of GDP reduction [2] (%)	Reduction of average annual GDP growth rates [3] (percentage points)
590-710	0.5	-1 – 2	< 0.05
535-590	1.3	Slightly negative - 4	<0.1
445-535[4]	Not available	< 5.5	< 0.12

[1] This is global GDP based market exchange rates.
[2] The median and the 10th and 90th percentile range of the analyzed data are given.
[3] The calculation of the reduction of the annual growth rate is based on the average reduction during the period till 2050 that would result in the indicated GDP decrease in 2050.
[4] The number of studies that report GDP results is relatively small and they generally use low baselines.

Policies are available to to governments to realise mitigation of climate change

- Effectiveness of policies depends on national circumstances, their design, interaction, stringency and implementation
  - Integrating climate policies in broader development policies
  - Regulations and standards
  - Taxes and charges
  - Tradable permits
  - Financial incentives
  - Voluntary agreements
  - Information instruments
  - Research and development

Selected sectoral policies, measures and instruments that have shown to be environmentally effective

Sector	**Policies[1], measures and instruments shown to be environmentally effective**	**Key constraints or opportunities**
Energy supply	Reduction of fossil fuel subsidies	Resistance by vested interests may make them difficult to implement
	Taxes or carbon charges on fossil fuels	
	Feed-in tariffs for renewable energy technologies	May be appropriate to create markets for low emissions technologies
	Renewable energy obligations	
	Producer subsidies	

[1] Public RD&D investment in low emission technologies have proven to be effective in all sectors.

Selected sectoral policies, measures and instruments that have shown to be environmentally effective

Sector	**Policies[1], measures and instruments shown to be environmentally effective**	**Key constraints or opportunities**
Transport	Mandatory fuel economy, biofuel blending and CO_2 standards for road transport	Partial coverage of vehicle fleet may limit effectiveness
	Taxes on vehicle purchase, registration, use and motor fuels, road and parking pricing	Effectiveness may drop with higher incomes
	Influence mobility needs through land use regulations, and infrastructure planning	Particularly appropriate for countries that are building up their transportation systems
	Investment in attractive public transport facilities and non-motorised forms of transport	

[1] Public RD&D investment in low emission technologies have proven to be effective in all sectors.

The importance of a “price of carbon”

- Policies that provide a real or implicit price of carbon could create incentives for producers and consumers to significantly invest in low-GHG products, technologies and processes.
- Such policies could include economic instruments, government funding and regulation
- For stabilisation at around 550 ppm CO2eq carbon prices should reach 20-80 US$/tCO2eq by 2030 (5-65 if “induced technological change” happens)
- At these carbon prices large shifts of investments into low carbon technologies can be expected

The importance of technology policies

- Deployment of low-GHG emission technologies and RD&D would be required for achieving stabilization targets and cost reduction.
- The lower the stabilization levels, especially those of 550 ppm CO2-eq or lower, the greater the need for more efficient RD&D efforts and investment in new technologies during the next few decades.
- Government support through financial contributions, tax credits, standard setting and market creation is important for effective technology development, innovation and deployment.
- Government funding for most energy research programmes has been flat or declining for nearly two decades (even after the UNFCCC came into force); now about half of 1980 level.

International agreements

- Notable achievements of the UNFCCC/Kyoto Protocol that may provide the foundation for future mitigation efforts:
  - global response to the climate problem,
  - stimulation of an array of national policies,
  - the creation of an international carbon market and
  - new institutional mechanisms
- Future agreements:
  - Greater cooperative efforts to reduce emissions will help to reduce global costs for achieving a given level of mitigation, or will improve environmental effectiveness
  - Improving, and expanding the scope of, market mechanisms (such as emission trading, Joint Implementation and CDM) could reduce overall mitigation costs

Sustainable development and climate change mitigation

- Making development more sustainable by changing development paths can make a major contribution to climate change mitigation
- Macroeconomic policy, agricultural policy, multilateral development bank lending, insurance practices, electricity market reform, energy security policy and forest conservation can significantly reduce emissions.
- Implementation may require resources to overcome multiple barriers.
- Possibilities to choose and implement mitigation options to realise synergies and avoid conflicts with other dimensions of sustainable development.

The full SPM can be downloaded from www.ipcc.ch

Further information:

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