

Speech by Elliot Morley MP to the European Climate Change Programme (II) Stakeholder Conference; Brussels; 24 October 2005

I am delighted to be here today to address such high profile participants during this defining year for climate change, the year in which the Kyoto Protocol came into force and the year where we have seen steady growth in international momentum to come together to tackle climate change.

The first test of that momentum will come in December of this year, when we expect to see agreement at the Conference of the Parties in Montreal to begin to discuss future international action beyond 2012.

We also hope that we've been using our Presidency of the EU wisely to prepare for this. We have placed climate change at the top of the EU's contacts with other countries – explaining how the European Union's thinking is developing and listening to the views of others.

We put climate change on the agenda of the EU's summits with China and India, both major emerging economies. Both summits enabled useful bilateral discussions on energy security and efficiency. The EU-Russia summit was an excellent chance to consider what experiences we can share with regard to the implementation of the Kyoto Protocol, to ensure that its mechanisms are up and running as soon as possible.

The EU will clearly have to back its political ambition for the Montreal Conference of Parties with real evidence that it is taking a lead in tackling climate change. The Kyoto Protocol says that by the end of 2005 parties have to demonstrate their progress in meeting their Kyoto commitments. This will be the ideal time for the EU to reaffirm its commitment to Kyoto, to meeting its emission reduction targets and obligations to assist developing countries.

I am proud to say that the Member States of the EU were some of the first in the 1990s to recognise the dangers of global warming, the link to human activity and the need to reduce greenhouse gas emissions.

In 1991, the Commission issued the first Community strategy which had the aim of limiting CO₂ emissions and improving energy efficiency.

It soon became clear that more needed to be done if the EU was to succeed in cutting its greenhouse gas emissions to 8% below 1990 levels by 2008-2012. This led, in 2000 to the launching of the European Climate Change Programme, the goal of which was to identify and develop all the necessary elements of an EU strategy to implement the Kyoto Protocol. It was recognised that strategy development would require the involvement of all stakeholders, the Commission's different departments - DGs, Member States, industry and environmental groups.

Following this outreach, the Commission brought forward a package of three broad measures to tackle climate change. These included a proposal for a Council decision on the ratification of the Kyoto Protocol which paved the way for the European Community to ratify the Kyoto Protocol on 31 May 2002.

Another key element was the proposed Directive on Greenhouse Gas Emissions Trading - which led to the EU ETS scheme we now have in place and which will develop over the coming years to include other gases and sectors.

In 2002/3 the ECCP entered its second phase with the aim of facilitating and supporting the actual implementation of the priorities identified in the first phase.

The legislative measures flowing from that phase include the directives on the promotion of electricity from renewable energy sources and the energy performance of buildings, for the promotion of bio-fuels and of course the directive on emissions trading.

It is clear, as Commissioner Dimas has stated, that emissions are not being reduced as quickly as we want. Urgent action is needed in all sectors at both national and EU level to deal with this and I'm pleased to be here today to help kick-start the review of the ECCP.

Discussion on the main areas of importance will take place during working group sessions at this conference and I would now like to touch on each of these subjects individually:

The first one is Carbon Capture and Storage. Carbon Capture and Storage forms part of a portfolio of measures to enable the EU to meet its emission reduction goals and is complementary to other measures.

Coal use is expanding rapidly, particularly in China, and the EU-China partnership will promote greater EU-China cooperation on climate change. A key element of the partnership is a new initiative, agreed under the UK Presidency on Near Zero Emissions Coal with Carbon Capture and Storage to address the challenge of tackling increasing greenhouse gas emissions from coal.

Adaptation: Under our Presidency, we are placing climate change issues on the agenda of other Council formations as demonstrated by the agriculture and environment ministerial informal in September, which highlighted both the impacts of climate change on agriculture and the role that agriculture can play in cutting emissions.

Aviation: We warmly welcome the Commission's communication on reducing the climate change impacts of aviation. The Commission's announcement that it supports the inclusion of aviation emissions in the EU Emissions trading scheme is highly encouraging and we look forward to progressing this as a priority for our Presidency of the EU. We very much welcome the establishment of an Aviation Working Group today and look forward to its report in April 2006.

On Transport: As is the case in the EU, transport in the UK contributes around 1/4 of our greenhouse gas emissions. It therefore has a key role to play in meeting our climate change targets.

This year, our Secretary of State Margaret Beckett, has been taking part in the Commission's CARS 21 group that is looking at the competitiveness of the automotive sector in the EU.

CARS 21 stressed the importance of taking an integrated approach in tackling CO₂ emissions in the transport sector - one that encourages action on all fronts, from technology, to driver behaviour to road infrastructure, in a way that ensures that all the contributions are mutually reinforcing. This will be critical if we are

to reverse the trend of increasing Green House Gas emissions in the transport sector.

Renewable Energy: Member States are working closely together and with the Commission to drive forward the European Renewable Energy agenda. We are currently encouraging active and positive discussion on the future direction of EU renewable energy policy

On Energy Efficiency: Within Europe there is a clear recognition of the importance of energy efficiency in meeting the challenge posed by climate change and work is already underway to deliver energy efficiency savings throughout the Community. The Energy Services Directive, which we hope to agree by the end of the year is expected to provide a challenging first step, whilst the Commissions Green Paper on energy efficiency, published at the end of June, should set the future blueprint for Europe's energy efficiency strategy to 2020. To complement this work the UK and the Commission are co-hosting an Energy Efficiency Conference to consider the future role of energy efficiency both in Europe and internationally.

Technology: In order to successfully tackle climate change without compromising on the services that we take for granted, we will need to develop new, lower-carbon technologies. There are many areas where market failure prevents the development or subsequent uptake of good technological options. More consideration will be needed to address this, in particular with regards to the emerging economies.

The subjects under discussion in each of the working groups form the core of the European Climate Change Programme. In each working group we must engage constructively and work together to ensure the future success of the European Climate Change Programme.

Today's conference allows us to take stock of the current situation and it offers us the opportunity to demonstrate to others that the EU takes this problem very seriously and is committed in delivering.

Of course, the problem of climate change cannot be solved either today or even during the UK Presidency. Instead, we rely on future Presidencies of the EU and the G8 to carry this work on, keeping

climate change high on their agendas, tackling all these important areas and demonstrating real progress in tackling the major threats climate change poses to our own and other economies.