

European Commission Unveils New Climate Package

The European Commission president Jose Manuel Barroso has presented the EC's new climate change package to members of the European Parliament, after it was adopted by the EC. The package includes detailed plans on how the EC intends to meet its 2020 climate change aims. These include reducing EU CO₂ emissions by 20 per cent below 1990 levels and preparing to increase to a 30 per cent target as part of any international agreement. Barroso confirms the package will also boost overall renewable energy use to 20 per cent of final EU energy demand, with at least 10 per cent of energy used in transport from bio-fuels. Barroso dismisses criticisms that the cost of meeting climate change challenges is too high, saying that the package is "manageable". "We have worked very hard on coming up with the right design to meet Europe's ambitions in the right way. So the additional effort needed to realise the proposals would be less than 0.5 per cent of Gross Domestic Product by 2020. This amounts to about €3 a week for everyone," says Barroso. He adds that the costs of inaction could be 10 times as high. But Barroso also concedes that at the business level the costs of emissions abatement could have an adverse impact on the competitiveness of the energy-intensity industry. "There is no point in Europe being tough if that means production moving to countries where countries allow a free-for-all on emissions ... we don't want to export our jobs to other parts of the world," says Barroso. He adds that an international agreement on this would be the best solution. "And if our expectations about an international agreement are not met, we will look at other options such as the requirement for importers to obtain allowances alongside European competitors, as long as such a system is compatible with World Trade Organisation requirements," he says.

[Source essa news]