

A GLOBAL FRAMEWORK TO STOP GLOBAL WARMING

IEA ACCELERATES EFFORTS IN THE RUN-UP TO COP 15

As production and use of energy accounts for more than 60% of greenhouse gas emissions, the International Energy Agency (IEA) has worked closely with the UNFCCC and IPCC to find ways to mitigate climate change since the early 1990s. These efforts have accelerated since 2005, when G8 leaders asked the IEA to advise them on attaining a “clean, clever and competitive energy future.” The Agency’s extensive contribution in the

run-up to the meeting in Copenhagen in December includes specific policy recommendations to enable governments to attain climate change objectives.

Ensuring investment

The IEA *World Energy Outlook 2009* sets out the latest energy trends and their impact on greenhouse-gas emissions, updated in light of the financial crisis, and details a pathway for the energy sector to achieve a transition to a low-carbon world – with a particular focus on the investments needed between today and 2020, an essential point for the international climate negotiations.

Saving energy

Improving energy efficiency is key to reducing

energy-related greenhouse gas emissions – it is low-cost, commercially available now and often relatively easy to implement. To assist governments, the IEA has proposed 25 recommendations which could, if implemented globally without delay, reduce worldwide CO₂ emissions by 8.2 gigatonnes per year by 2030 – equivalent to roughly two times the amount of current EU CO₂ emissions. Earlier in 2008, the IEA provided a report to the G8 on progress by its member countries in meeting the recommendations, and in October this year, the IEA released a wider report on implementation in all IEA member countries (*Implementing Energy Efficiency Policies 2009: Are IEA member countries on track?*).

Deploying low-carbon technologies

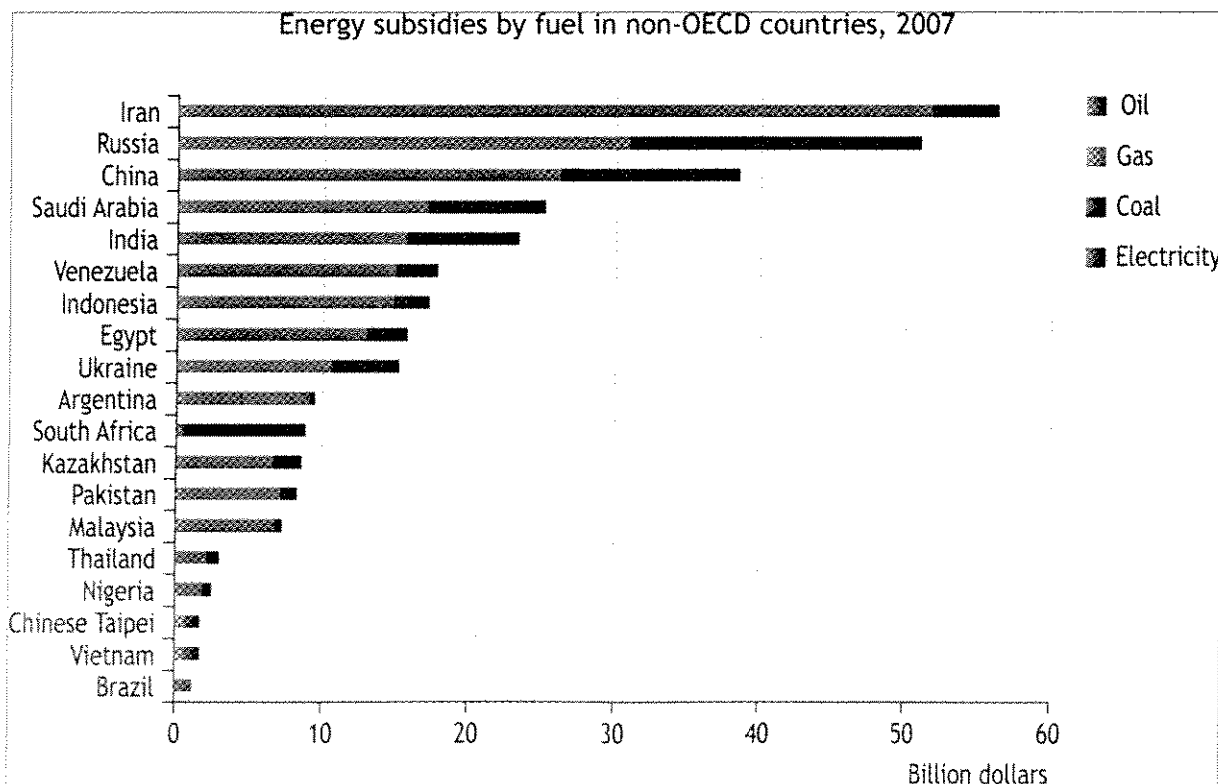
Many types of renewable energy, carbon capture and storage, nuclear power and new transport technologies will all require widespread deployment if countries are to reach their greenhouse gas emission goals. Investment in sub-optimal technologies that “lock-in” high-carbon infrastructure must be avoided. The IEA *Energy Technology Perspectives* scenarios and technology roadmaps plot the course for effective uptake of the most important technologies.

Eliminating energy subsidies

Inefficient fossil fuel subsidies encourage waste-

ful consumption and, consequently, carbon emissions. Within the framework of the *World Energy Outlook*, the IEA has been measuring energy subsidies for several years. Our latest analysis in 2008, for example, put fossil fuel subsidies in the twenty largest non-OECD countries at around US\$310 billion per annum. (See figure.) Together with other organisations, includ-

Energy subsidies by fuel in non-OECD countries, 2007



Source: IEA analysis.

ing the OECD, the IEA was recently tasked by the G20 to continue its work on fossil fuel subsidies and to report to the next G20 summit in 2010. More detailed analysis on the topic will also appear as a special section in the *World Energy Outlook 2010*.

Broadening the reach of the global carbon market

Countries should focus on where action is needed the most. The IEA Sectoral Approaches in Electricity shows how we should and could include power generation in developing countries in the carbon market that is emerging in OECD countries, if we are to achieve the needed de-carbonisation of power generation. This should be combined with other targeted policy instruments, e.g. in the area of energy efficiency, where the price signal is too often blurred.

Strengthening global ties

Non-OECD countries will account for nearly 90% of the growth in energy demand and in CO₂ emissions to 2030. OECD countries can no longer find solutions to today's energy challenges without engaging globally. Recent IEA analysis shows that even if OECD member countries cut their CO₂ emissions to zero, this reduction would not be sufficient to achieve the levels required to stop global warming. Co-operation with non-member countries, which has always been a mission of the Agency, is now an urgent priority.

Supporting a sound agreement in Copenhagen

Together with the OECD Environment Directorate, the IEA analyses technical issues on the negotiation

table, under the aegis of the Annex I Expert Group on the UNFCCC. Over the past year, the Group has discussed critical negotiation issues including new mechanisms to expand the carbon market, tools to register developing countries' policy efforts and to match them with financial support, and the criteria to differentiate countries' greenhouse gas emissions commitments.

Through this wide range of activity, the IEA is providing analysis and policy advice to its member governments and the primary decision makers in the climate negotiations in Copenhagen in the hope that this input can help facilitate a global framework agreement to stop global warming and promote green growth.

IEA Executive Director
Nobuo Tanaka