INTRODUCTORY STATEMENT OF COMMISSIONER HÜBNER

PANEL DEBATE ON CLIMATE CHANGE

EUROPEAN DEVELOPMENT DAYS

STRASBOURG 17 NOVEMBER 2008

14:00-16:00

Cabinet: M. Mahovsky

Visa: M. Lemaître

Ladies and Gentleman,

Thank you for inviting me to speak today. I am particularly pleased that this year's edition of the European Development Days is dedicated to the local dimension of development. Indeed, as Commissioner for the European Union's Regional Policy, I would like to share with you my hands-on experience of what difference the involvement of regional and local authorities can make.

Climate change, you might argue, is of a truly global dimension. Unless tackled at the world level, local action will make no difference whatsoever. While this might be true for the effects of climate change, it is certainly wrong for its causes.

While the powers and responsibilities of regions vary across nations, the everyday choices of these authorities add positively or negatively to the environment, for example, regarding decisions on the use of clean technologies; on heating buildings; on public sector purchasing policies; on dealing with growing waste; on providing urban and rural transport; or on land use planning.

Notwithstanding the self-evident need for national strategies and concerted action at the global level, I do believe that the local level matters very strongly when it comes to combating climate change.

To start with, local expertise is urgently needed to assess the vulnerability of a region to climate change, given its asymmetric impact. Secondly, appropriate measures to adapt to and to mitigate climate change are prepared and implemented locally. Finally, and even more importantly, I believe that tackling climate change also offers great

opportunities. And I would like the regions and local actors to benefit fully from these opportunities.

In my view, we have embarked on a new industrial revolution. Improving energy efficiency and increasing the share of renewable energy requires important research and innovation efforts. This potential can only be exploited if local actors are adequately prepared.

In the EU, we have several processes which generate local expertise to mitigate climate change. As you know, the EU is seriously committed to limit greenhouse gas emissions by moving to a low-carbon economy. Specifically, we have set ourselves an objective to cut our emissions by at least 20% by 2020. Secondly we target an overall share of 20% for renewables in the EU's overall energy mix, from a figure of currently only around 8%. Thirdly, we aim at increasing our energy efficiency by 20%.

To this end, eco-innovation will be needed, comprising environmentally-friendly products and processes but also some end-of-the-pipe technologies.

Cohesion policy, the EU's development policy for regions, is also supporting this objective [4.5% or €16 bn of cohesion policy budget 2007-13]. The regional programmes are developed by regional and local players in cooperation with the Commission. In order to make them meaningful, significant local expertise is needed.

[A comprehensive approach to climate change actually requires a cross-cutting integration of low carbon tools, practices and indicators. For example, in Poland there is a CO2 context indicator in all the Operational Programmes while France has developed a unique carbon evaluation

tool to ensure carbon neutrality of its regional investments and development programmes. All of this was devised at the local level.]

In order to make my general points, let me illustrate them with an example: A month ago I visited a region in Austria, the town *Güssing* in the south of Burgenland close to the Hungarian and Slovenian border. Situated at the iron curtain for half a century, the town was cut-off from the post-war prosperity in the rest of the country. They had little resources, just grass - no cows or sheep - and forests. And one technical secondary school, barely any businesses. Many other regions would have regarded this as weakness but this town managed to turn this into a strength. They started with a biomass plant to produce heat and electricity. This led to a research institute for renewable energy, attracting other plants producing solar cells and subsequently the town became a specialised cluster. Within just ten years, they have become one of the leading centres for renewable energy in Europe. Within the next few years they should become energy self-sufficient.

Let me use this example to make my general points.

- First, you need vision, dedication and strong political support at the local level. It was the local actors in the first place who were visionary and then gained wider support for their ideas. They set a clear objective, developed a long-term strategy, believed in it and followed it persistently.

- Second, use local resources and develop them further, in particular local expertise. It is the human resources that make the difference and bear the innovative potential. In *Güssing*, they had wood-chips and local labour. Under the leadership of an engineer who was more

than happy to return to his hometown after years of commuting, the local work force became increasingly specialised and knowledgeable in the field of renewable energy. But the local authorities did not stop there, they pro-actively built on these typical diffusion effects. The local authorities launched a vocational training to specialise in solar technology, the “solarteur”.

- Third, regional and local budgets need to reflect the agreed objective. What incurred costs at the beginning, has been generating revenues through both a broader tax base and higher income from direct taxes. The mechanism was straightforward, cheaper energy attracted firms demanding labour, both paying taxes.

- Fourth, ideally have a national or in our case an EU policy supporting such objectives. I will come back to this in a minute.

- Fifth, do not think you cannot make a difference, just because your town is situated in the middle of nowhere and you barely have any resources. I bet there are many other regions in the world with just grass and wood and a bit of sun. If this small Austrian town can become energy self-sufficient than your town can, too.

In my view, this example does not only apply to a European setting but also for less developed countries. I am sure that a similar expertise and subsequent innovation processes can be triggered elsewhere in other domains.

Thank you for your attention.