## **Executive Summary**

The European Climate Change Programme (ECCP) was established in June 2000 to help identify the most environmentally and cost effective additional measures enabling the EU to meet its target under the Kyoto Protocol, namely an 8% reduction in greenhouse gas emissions from 1990 levels by 2008-2012. The preparatory work carried out under the ECCP will enable the Commission to present a strategy document in the second half of this year on the basis of concrete policy proposals to be submitted to the Council and the European Parliament.

The ECCP has been set-up as a multi-stakeholder consultative process that focussed on energy, transport, industry, research and agriculture and on the issue of emissions trading within the EU. Seven technical Working Groups were established under the co-ordination of an ECCP Steering Committee, one of which (Agriculture) is still ongoing. The programme was not carried out in isolation but rather built links with on-going activities at EU level such as the Joint Expert Group on Transport and Environment and the Joint Expert Group on fiscal measures. It also dovetails with the Sixth Environmental Action Programme and the EU Strategy for Sustainable Development.

A major part of the ECCP has now been finalised. One of the main results is that every sector should contribute to the Kyoto target of -8% in view of minimising the compliance cost of EU climate policy for society as a whole. The Programme investigated more than 40 measures in total using selection criteria such as their contribution to the reduction of greenhouse gas emissions, cost effectiveness and the time-frame within which they could be realised. The programme could identify cost-effective options (<20 €/t CO<sub>2</sub>eq.) totalling 664–765 MtCO<sub>2</sub>eq.

In contrast, recent estimates by the European Environment Agency (EEA) of the emission reductions necessary to reach the EU –8% Kyoto target amount to 336 MTCO<sub>2</sub>eq.. This means that the technical potential of the cost-effective options identified by the ECCP is twice the size of the required emissions reduction.

However, the realisation of the technical potential depends on a number of factors such as the accuracy of data, the timeframe within which measures are implemented and public acceptance. In order to give a better indication of the short-term potential of cost-effective measures at EU level the ECCP report makes a distinction between those that are (1) an advanced stage of preparation, (2) those in the pipeline and (3) those for which more work is needed.

Category (1) contains 8 measures with an estimated cost-effective emission reduction potential of about 240 MtCO<sub>2</sub> eq.. Among these measures are proposals for a framework directive for an EU emissions trading scheme, a Directive on the Energy Performance of Buildings, directives on biofuels and on energy efficient public procurement and a framework directive on fluorinated gases.

Category (2) consists of an additional 11 measures with an estimated cost-effective emission reduction potential of about 140 MtCO<sub>2</sub> eq.. Proposed measures include i.a. directives on combined heat and power (CHP), energy services and minimum efficiency standards for electrical equipment, a revision of the IPPC Directive with regard to energy efficiency provisions, a technology procurement initiative, the 'motor challenge programme initiative' and support for improving the research infrastructure on Climate Change.

Category (3) lists another 22 measures considered to be in need of further work. Measures in this category are related to i.a., promotion of heat production from renewable energy sources, long-term agreements with energy intensive industries, fiscal measures for passenger cars, a voluntary agreement with the car industry on light commercial vehicles and further technological improvements for vehicles and fuels. However, the distinction between measures in categories 2 and 3 is not always clear cut and should therefore not be applied rigidly.