



## **Low-carbon development: a shared challenge for Asia and Europe**

**By Shada Islam**

It's no secret: international efforts to curb global warming continue to divide Asia and Europe.

European and Asian governments did not see eye to eye at the climate change summit held in Copenhagen last December, and as preparations intensify for another international meeting on global warming— this time in Cancun, Mexico - at the end of the year, prospects for a credible and enforceable agreement remain elusive.

Europeans are demanding a legally binding global deal on curbing carbon dioxide emissions while key Asian nations, including China and India, oppose any move which they fear could slowdown economic growth and development.

Curbing greenhouse emissions is arguably the world's key global governance challenge. And the results of the Copenhagen summit, namely a voluntary goal of limiting warming to two degrees Celsius (3.6 degrees Fahrenheit) and a pledge from rich countries to give about 25 billion euros in aid from 2010-2012, are clearly not ambitious enough.

For all their differences and public spats, however, Asian and European governments face a shared challenge: keeping carbon emissions as low as possible to prevent further environmental damage while, at the same time, creating the growth necessary to raise living standards.

It is imperative therefore to shift the focus from confrontation on achieving climate change targets to cooperation on developing a low-carbon economy. Such collaboration could be based on crafting new economic, technological and social systems of production and consumption which allow for a reduction in greenhouse gas emissions while maintaining the momentum towards economic and social development.

The question will figure high on the agenda of the eighth ASEM (Asia-Europe Meeting) summit in Brussels on October 4-5. As Andris Piebalgs, European Commissioner responsible for development, pointed out at a recent ASEM Development Conference held in Yogyakarta, Indonesia: "green growth holds great potential for Asia and the EU – it is the only way to reduce poverty in a sustainable manner."

Finding common ground within ASEM on the development and implementation of low-carbon growth strategies is not difficult. After all, both regions are tackling climate change and have made significant commitments to reduce greenhouse gas emissions.

EU governments are committed to a 20 per cent reduction in 1990 greenhouse gas emission levels by 2020 and have said they are willing to move to 30 per cent as part of an international agreement.

China has said it will try to voluntarily reduce its emissions of carbon dioxide per unit of economic growth — a measure known as “carbon intensity” — by 40 to 45 percent by 2020, compared with 2005 levels. India has set a domestic emissions intensity reduction target of 20 to 25 percent by 2020, compared with 2005 levels, excluding its agricultural sector. It has also set ambitious targets for solar energy. Meanwhile, Indonesia, Vietnam, Thailand and the Philippines have adopted important forest conservation measures.

Despite their different development levels, Asia and Europe share a common challenge of dealing with various facets of developing a low-carbon economy: managing urbanisation, creating so-called “green jobs”, protecting forests, raising public awareness, investing in research and development as well as training experts in green growth.

This requires coordination among states as well as a sharing of information and technology. In fact, since low-carbon development is a new concept for both regions - and there is no pre-established path towards achieving this goal - there is space for cooperation, joint learning and collective Asia-Europe action.

Both Asia and Europe stand to gain: for European governments, green growth will help fight unemployment, provide new export opportunities and also help meet reduced emission targets. For their part, Asian countries, struggling to combine high-growth, poverty reduction and low carbon development, will have an opportunity to leapfrog technology and avoid high-carbon consumption patterns, for example through a more widespread use of low emission cars.

Asia, with its rapidly growing mega-cities and an urban population which is expected to double from 1.5 billion to 3 billion people during the next two decades, has a special interest in ensuring that the further expansion of urban infrastructure is low carbon based.

Pathways to a low-carbon economy require action on four fronts: improving the energy efficiency of buildings, vehicles and industrial equipment; intensifying the use of low-carbon energy supply (ex wind, hydro power, solar, carbon capture sequestration and nuclear); halting deforestation, changing agricultural practices and finally, encouraging behavioural change including food consumption, mobility, housing and tourism.

There will be tough decisions to take since there will be initial job losses in the fossil energy sector. However, additional employment will be created in sustainable energy generation and in energy efficient products and services which are more labour intensive than fossil energy production.

Policymakers will also have to underline that energy savings generated by low carbon solutions can translate into lower production costs and hence increase the competitiveness of countries on a low-carbon development path. In addition, investments in energy efficiency and low-carbon technologies could pull the global economy out of its economic slowdown over the next couple of years.

China has already set aside an important percentage of its economic stimulus package on the development of new green technologies. Whatever critics may say about Beijing's resistance to carbon caps, it is clear that Chinese authorities want to highlight their own efforts to reduce emissions and spread the message to their society's grassroots

There are also examples of Asia-Europe cooperation to encourage low-carbon growth. For instance, the Switch-Asia programme, launched in 2007 with a 90 million euro financing by the EU over a period 2007-2010, is working to spur a systematic change towards environment and climate friendly consumption and production practices. The programme works on the ground with producers and consumers and at the policy-making level by supporting the formulation and implementation of policies.

A total of 30 projects in 15 Asian countries have been funded so far in areas such as green public procurement, cleaner production and eco-labelling and more schemes are likely to be financed in the future. In China, a Switch project aims at increasing market demand for energy-efficient electric motors. Another scheme, builds on a Chinese initiative to foster green public procurement by giving priority to products accredited with the China Environmental Label.

These initiatives need to be encouraged and replicated elsewhere. The second decade of the 21<sup>st</sup> Century will undoubtedly be decisive for accelerating low-carbon development. Discussions, information exchange and cooperation within ASEM could help foster the transition towards a low carbon future, with an ASEM partnership working across all areas of cooperation, from international negotiations through private sector initiative to aid-funded programmes.

As Dirk Messner, a professor and director of the German Development Institute, stressed at the ASEM conference in Yogyakarta, "if ASEM countries would go for low-carbon development, they could transform the global economy."

END

Note: **Asia-Europe Meeting** was launched in 1996 as an informal forum for discussion between Asian and European countries. The current ASEM partners are: Austria, Belgium,

Brunei Darussalam, Bulgaria, Cambodia, China, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, India, Indonesia, Ireland, Italy, Japan, Laos, Latvia, Lithuania, Luxembourg, Malaysia, Malta, Mongolia, Myanmar, Pakistan, Poland, Portugal, Republic of Korea, Romania, Singapore, Slovakia, Slovenia, Spain, Sweden, Thailand, The Netherlands, The Philippines, United Kingdom, Vietnam, the ASEAN Secretariat and the European Commission. At the ASEM 8 Summit in Brussels (4-5.10.2010), Australia, Russia and New Zealand will officially join ASEM.

**Shada Islam** is a journalist in Brussels with a long experience of EU-Asia relations. This is a part of a series of articles being published by "Particip" an independent, internationally-recognised consultancy, which is under contract to the European Commission, to look at different aspects of the multi-faceted Asia-Europe relationship.

*You are free to publish the article in its entirety or only in part in your newspapers, wire services, internet-based information networks and newsletters- and you are also free to use the information in your radio-TV discussions or as a basis for discussion in different fora. We would, however, appreciate if you could let us know when and where the article was used.*

Disclaimer

*The view or opinions expressed in this article are solely those of the author and does not necessarily reflect that of the Belgian Government, the European Commission or any other ASEM partner. ASEM or its partners cannot be held liable for any comments contained therein.*