

“Energy prices and growth: How to measure the costs of climate policies”

By Professor Lucas Bretschger

Lecture at the Bank of Greece, 18/11/2014

Isaac Sabethai (Opening remarks – Welcome)

- On behalf of Prof. Zerefos, coordinator of the Climate Change Impacts Study Committee, who could not be with us today because of another engagement, I would like to welcome our distinguished speaker, Prof. Bretschger.

The lecture is taking place in the context of the activities of the interdisciplinary Climate Change Impacts Study Committee (CCISC). The Committee was set up in 2009, on the initiative of the Bank of Greece, in order to prepare a study on the economic, social and environmental impacts of climate change in Greece.

- Until now, CCISC has published
 - First, that study, entitled “The environmental, economic and social impacts of climate change in Greece”, in June 2011 (*available in English on our website*)
 - At the beginning of this month, a new report “Greek tourism and climate change: adaptation policies and a new growth strategy” (*the English translation will be available in early 2015*).
- The Committee’s current work is meant to contribute to drawing up an overall Greek strategy of adaptation to climate change. Additional sectoral studies – in the areas of health and transportation – are in the planning stage.
- Prof. Bretschger’s visit to Athens is funded by ICRE8 – International Centre for Research on the Environment and the Economy, a newly established nonprofit research centre dedicated to interdisciplinary research on the environment, energy, economy and eco-innovations. I would like to thank Ms. Phoebe Koundouri, Associate Professor at the Athens University of Economics and Business and scientific director of the ICRE8, who initially suggested to us the hosting of today’s lecture.
- Before I conclude, let me just mention three reasons why today’s lecture takes place at an interesting time.
- First, among the key conclusions of the latest “5th Assessment Synthesis Report” published by the Intergovernmental Panel on Climate Change at the beginning of this month are the following, which are certainly a cause for concern – perhaps grave concern:
 - “Without additional mitigation efforts beyond those in place today, and even with adaptation, warming by the end of the 21st century will lead to high to very high risk of severe, widespread, and irreversible impacts globally (...). Mitigation involves some level of co-benefits and of risks due to adverse side-effects, but these risks do not involve the same possibility of severe, widespread, and irreversible impacts as risks from climate change, increasing the benefits from near-term mitigation efforts.”

- *“Mitigation options are available in every major sector. Mitigation can be more cost-effective if using an integrated approach that combines measures to reduce energy use and the Green House Gas intensity of end-use sectors, decarbonize energy supply, reduce net emissions and enhance carbon sinks in land-based sectors.”*
- Second, increasing exploitation of shale gas is changing the parameters of energy production, but is also an object of controversy.
- Third, the European Summit decisions of 23rd October and last week’s agreement of the US and China, which both concern emission reduction targets, allow for greater optimism about the results of the upcoming Paris conference next year, which will attempt to draw up a new international convention on climate change, to take effect as of 2020.
- *Now my colleague Director-Advisor Heather Gibson will present today’s speaker. Thank you.*
