



Meeting the climate challenge

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Global challenge

- Limit average temperature rise to 2°C above the pre-industrial level
- Stabilise at 400ppm CO₂ equivalent to have high chance of keeping to 2°C
- Cut global emissions by more than half by 2050 – and UK emissions by 90 per cent



Why limit increase to 2°C?

- No amount of global warming is 'safe' – already dangerous climate change
- Average temperature has already risen by 0.8°C and some further warming inevitable
- Above 2°C the impacts on human and ecological welfare increase markedly

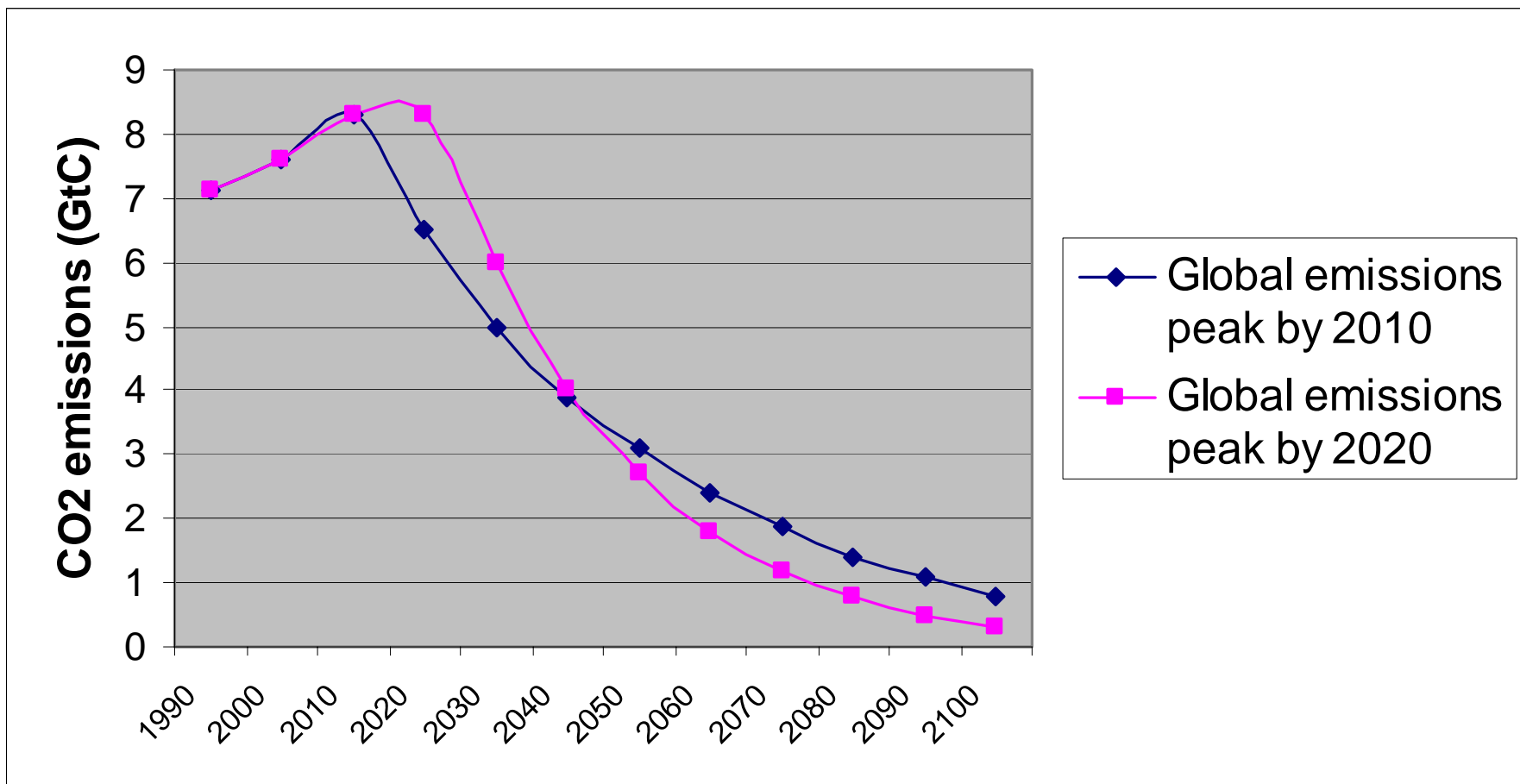


Why 400ppm CO₂ equivalent?

- Precautionary principle – application of risk analysis
- Greenhouse gas concentrations already about 400ppm and will rise well above
- Limit peak and period above and reduce to 400ppm or below in long term

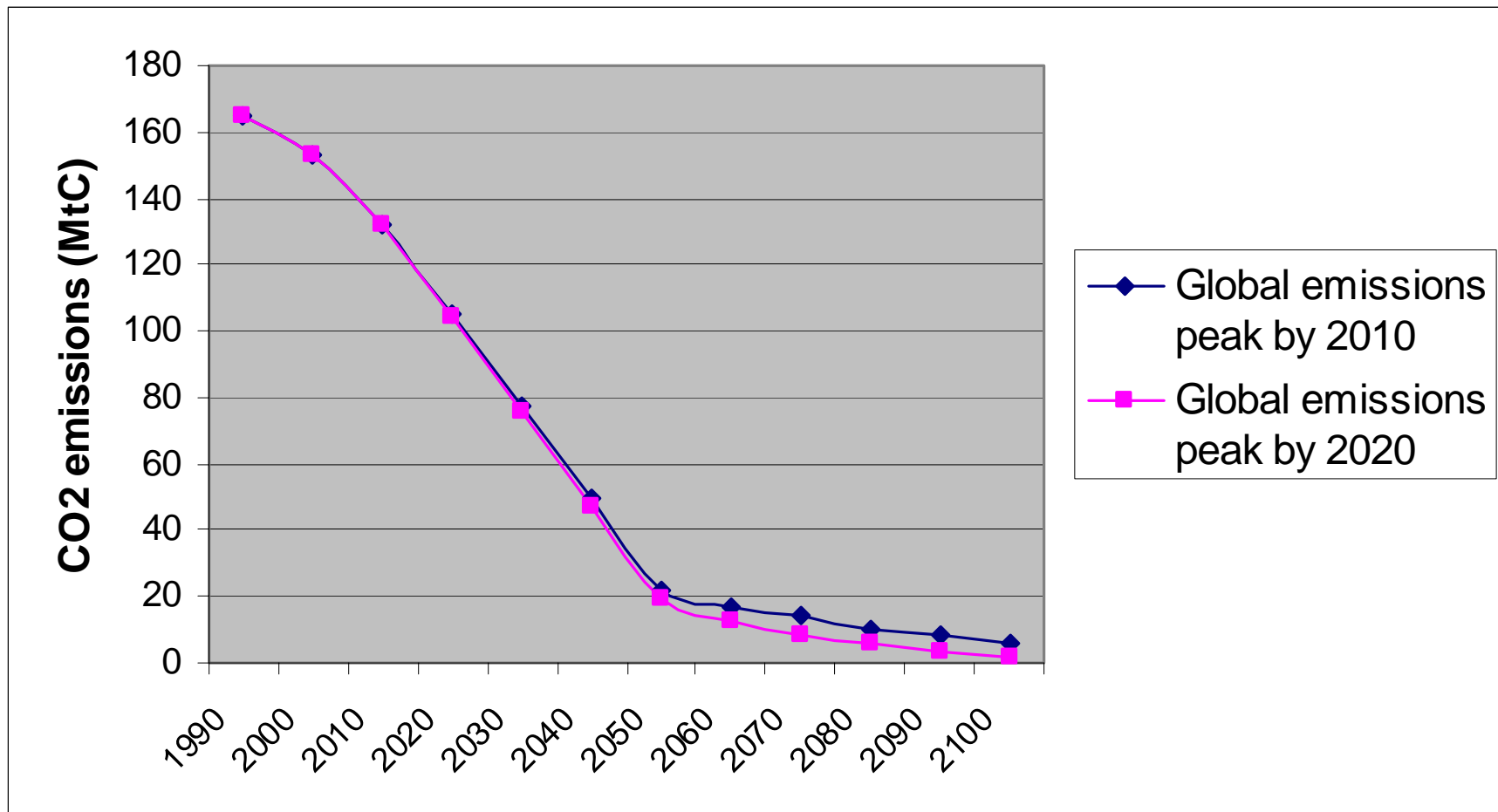


Global emissions paths to meet 400ppm by 2100





UK emissions paths to help meet 400ppm by 2100



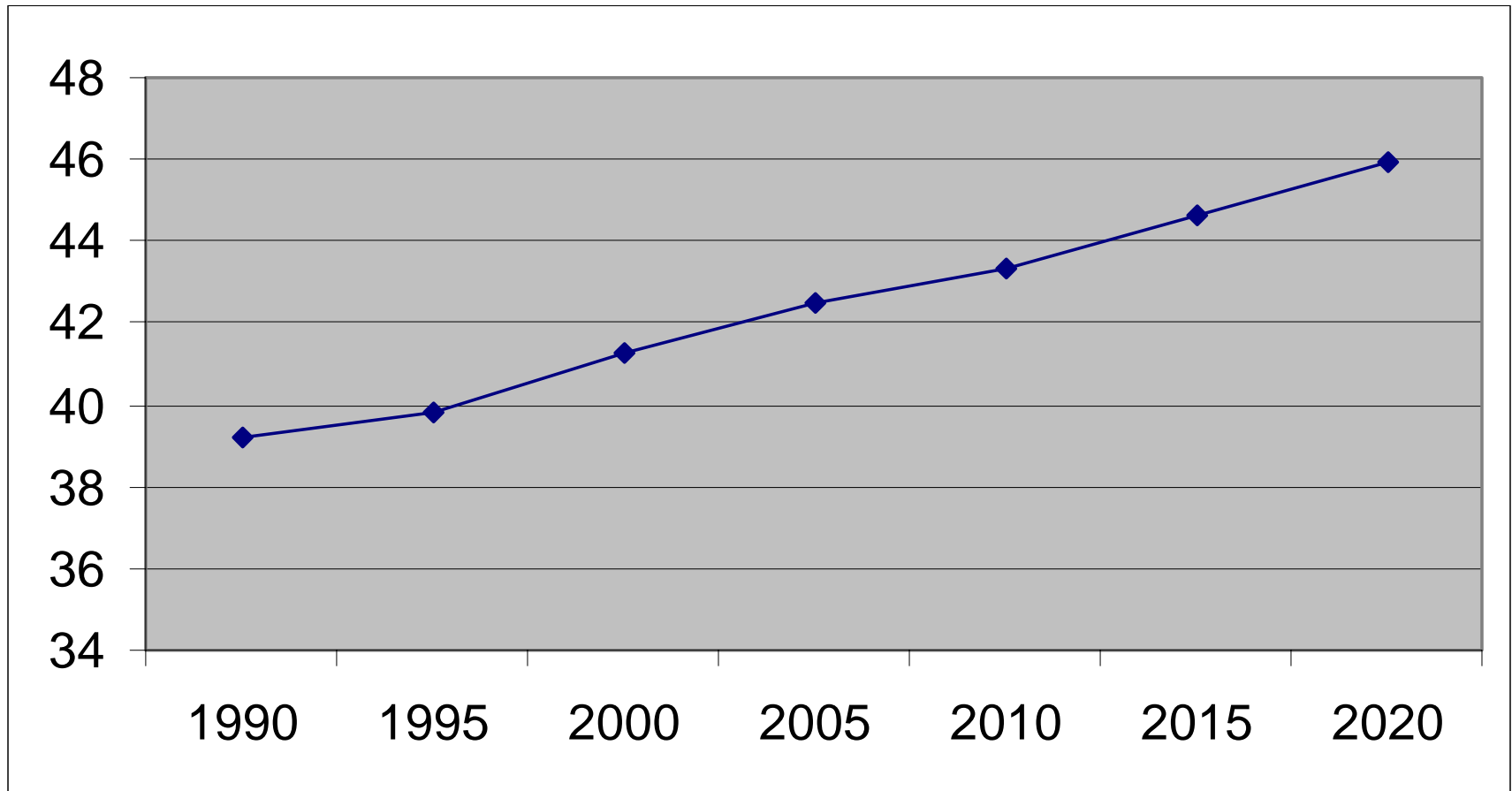


How is the UK doing?

- Meeting Kyoto but on course for only 14% cut in CO₂ emissions by 2010
- CO₂ emissions from transport are growing – by 17% between 1990 and 2010
- Powering Future Vehicles strategy is making progress but falling short



Actual and forecast CO₂ from UK transport (MtC)





How are UK vehicle emissions doing?

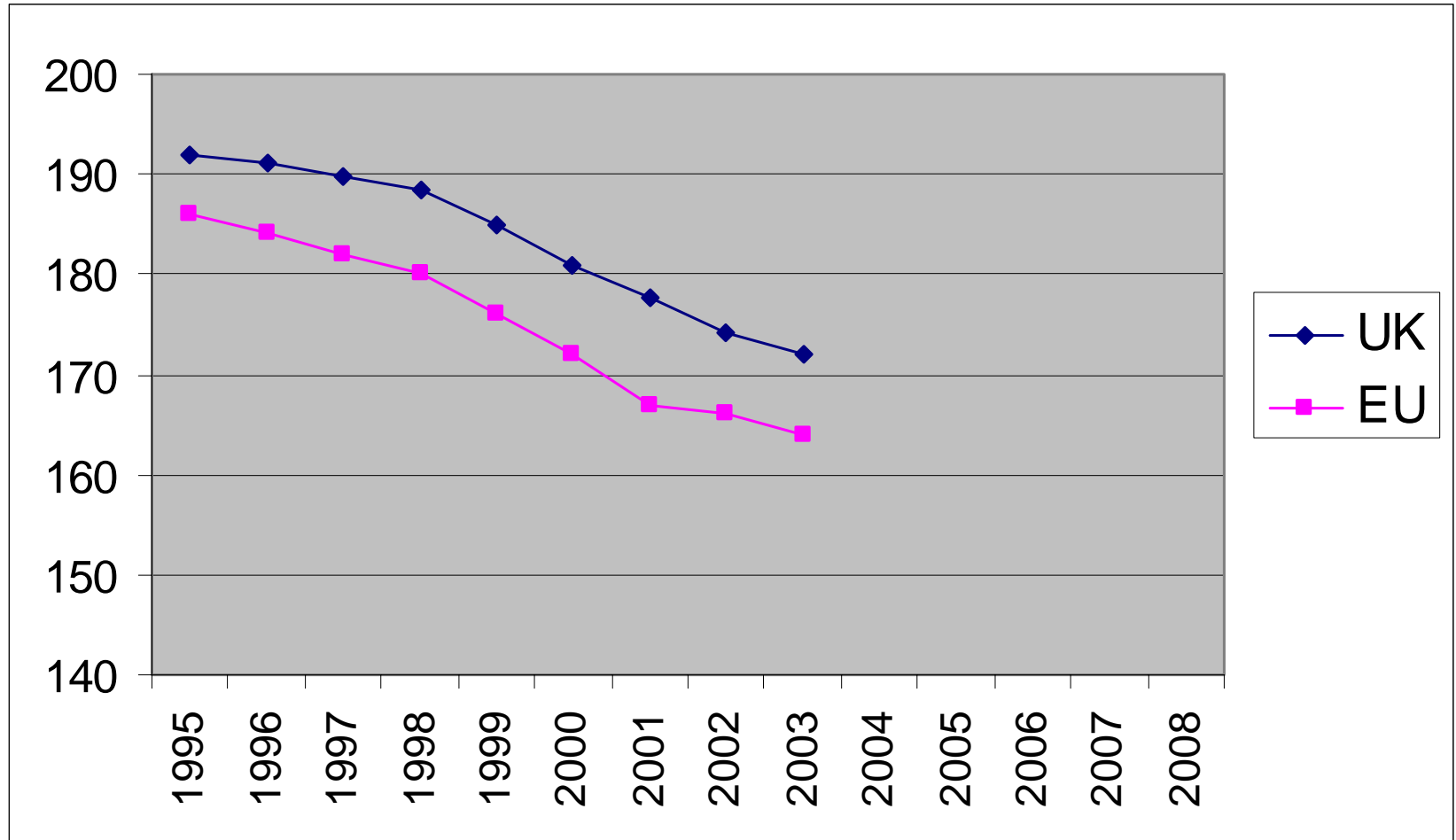
“Carbon savings from the Voluntary Agreements [with the automotive industry] are likely to be **somewhat less** than originally forecast.”

“The Government will **need to do more** if the Powering Future Vehicles targets are to be met.”

Source: Review of the UK Climate Programme, HM Government, December 2004



Average new car CO₂ emissions (g/km)





What needs to be done?

- Regulation (hard if needed) – average new car CO₂ emissions 100g/km by 2020
- Stronger tax incentives – ratchet up VED and company car tax differentials
- Biofuels obligation – in line with EU directive target of 5.75% by 2011
- Fuel duty rates set according to ‘well-to-wheel’ carbon emissions



Conclusions

- Time is running out to mitigate dangerous climate change
- UK should cut CO₂ emissions from 1990 level by 20% by 2010 and 40% by 2020
- Transport is major problem and needs to become part of the solution