



Why Innovation Matters Personal Warsaw Review

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Innovation matters

- Technological innovation:
 - PV innovation since 2008 destroyed business model of traditional utilities;
 - Huge innovation potential for energy efficiency, renewable energy, grid, storage systems, combination with telecommunication, digitalization, transportation system ...

- Business innovation:
 - New business models are a necessity of utilities, car companies, heavy industry ...
 - Cross sectoral innovation: e.g. energy – mobility – digitalization; steel / cement towards carbon fibre etc. – ;
 - Don't separate risk and responsibility

- Policy innovation:
 - Frameworks for new business models ...
 - How to create frontrunner alliances beyond the consensus system of UNFCCC?

- Central task: coordination of expectations of key actors
 - Framework setting
 - Business models
 - Financing
 - Legitimacy
- RGI as a multi stakeholder group which tries to coordinate expectations
 - Pro renewable energy, energy efficiency, natural protection translates into increased legitimacy and investment certainty;
 - Create as frontrunners new business models for TSOs in the context of energy transformation;
 - Investments for energy transformation in the context of new business models and pensions funds / insurers searching for options to invest
 - Framework setting for climate and energy targets as well as new business models;

Reflections on Warsaw



**Huddle at last day in Warsaw
– with U.S., Indian, Chinese negotiators**

Reflections on Warsaw

All important minimal targets were reached

- 1. Road to Paris
 - first draft of the new agreement will be presented just before COP 20 in Lima, December 2015;
 - in Lima there will be a debate and an agreement on how Parties will be presenting their contributions to the new agreement.
 - Those contributions must be presented until the end of the first quarter of 2015;
 - In May 2015 the draft text of the new agreement must be translated and sent out: half a year ahead of the COP21 in Paris;
- 2. Climate Finance
 - Operationalisation of the Green Climate Fund;
 - Decision on long-term finance;
- 3. Loss & Damage
- 4. Decision on REDD + (rain forests)
- 5. Decision on MRV (transparency)

- But: Lack of Political will on international level
 - Industrialised countries are not ready to increase pre-2020 ambition (as promised in Durban) and to show how they meet their financing commitments;
 - EU has lost its leadership role; loss of credibility and influence in negotiations
 - Emerging countries use this as an excuse not to move into strong commitments for post-2020;
- Positive developments in many parts of the world; (from China to Marokko, from California to South Africa);
- But: Coal and tear sand dynamics not yet broken. And this struggle becomes harder (coal summit in Warsaw, Arctic 30);
- Until 2015 we need – in addition to UN process – additional frontrunner alliances (ambitious, relevant, with an incentive framework);

- Thank you !

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2030 EU Climate and Energy Package

Comprehensive decarbonisation strategy needed that combines protection of industries really affected by stricter climate change regulation with:

Two pillars: **Investment and Innovation**

- (1) Intelligent state-backed investment strategy in energy efficient buildings, renewable energy as well as electricity and low-carbon transport infrastructure.
- (2) Combine the ambitious EU 2030 targets as well as the structural reform of the EU ETS with an industry research program aimed at developing break-through technologies and solutions in order to create a low-carbon and low-resource society