



**Joint outreach on Climate Adaptation financing: Mission Adaptation to Climate Change & European Investment Bank & Comunidade Intermunicipal da Região de Coimbra**

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- ✓ In what concerns the adaptation to climate change, EU assumed the ambitious target of achieving climate-neutrality by 2050, which means that EU countries will have to drastically reduce their greenhouse gas emissions and find ways of compensating for the remaining and unavoidable emissions to reach a net-zero emissions balance.
- ✓ In the current context, more CO<sub>2</sub> is emitted than it can be absorbed, which contributes highly to global warming. So, a new balance must be found. We should follow two complementary strategies:
  - i. Reducing the CO<sub>2</sub> we emit: more renewable energy, higher energy efficiency, cleaner transport, greener farming, circular economy.

- ii. **Compensating the emissions we can't avoid: better forest management, protecting our ecosystems, investing in innovation and research.**
  
- ✓ **In the scope of greenhouse gas emissions, EU leaders took a detrimental step in 2020, when they agreed to reduce more than half of EU's emissions by 2030 (less 55% when compared to 1990 levels).**
  
- ✓ **To achieve this highly demanding goal, it is essential that the European Commission puts forward proposals, in major areas such as:**
  - i. **improving green finance standards;**
  - ii. **strengthening the EU emission trading system;**
  - iii. **spurring climate-friendly innovation;**

iv. ensuring fairness and cost-effectiveness;

- ✓ In June 2021, the Council adopted the European climate law - a key element of the European Green Deal, legally obliged EU countries are to reach both the 2030 and 2050 climate goals.
- ✓ Likewise, the Council the new EU strategy on adaptation to climate change, which outlines a long-term vision for the EU to become a climate-resilient society that is fully adapted to the unavoidable impacts of climate change by 2050.
- ✓ Another key decision was the so-called 'Fit for 55 package', which establishes a set of proposals for revision of existing legislation and new initiatives, including revised rules on:

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- i. energy
  - ii. transport
  - iii. emissions trading and reductions
  - iv. land use and forestry
- ✓ But all these efforts to reach climate neutrality represent much more than an ecological target, since they generate significant opportunities to:
- i. Economic growth
  - ii. Market expansion
  - iii. Job creation
  - iv. Technological development

- ✓ Considering the latest scientific reports, the world's climate is experiencing unprecedented changes, for instance in rainfall patterns, oceans and winds behaviour, in all regions of the world.
- ✓ These high temperatures and intensified weather events result in huge costs for the EU's economy and diminish countries' ability to produce food.
- ✓ Some alarming facts can be highlighted:
  - i. climate-related events over the last 40 years have caused more than €487 billion in financial losses in the EU;

- ii. between 1980 and 2020, over 138 000 people in the EU lost their lives due to extreme weather and climate-related events;
  - iii. the economic cost of river flooding in Europe exceeds €5 billion a year on average;
  - iv. forest fires cause about €2 billion of economic damage every year.
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- ✓ This surely justifies a strong reinforcement of public and private investment. In fact, EU countries have committed to spending 30% of the EU's long-term budget for 2021-2027 and Next Generation EU for climate-related projects.
  
  - ✓ To ensure that the climate transition is fair, the EU has introduced a just transition mechanism which aims to provide financial and technical support to the regions most

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affected by the move towards a low-carbon economy. Up to €90 billion is to be mobilised to this end.

- ✓ In the past October 28, the Council approved the 2021 climate finance figure, validating the previously established, in which the EU and its member states committed €23.04 billion in climate finance from public sources to support developing countries in reducing their greenhouse gas emissions and adapting to climate change impacts.
- ✓ The Council approved the figure in preparation for the United Nations climate conference (COP27) in Sharm-el-Sheikh. The figure is based on the detailed EU climate finance reporting rules laid down in the governance regulation.



- ✓ It is also important to articulate these specific funds with other EU programs and policies, such as Horizon Europe, InvestEU, Erasmus+, Cohesion Policy, the Digital Europe programme, the European Structural and Investment Funds, the Connecting Europe Facility and the Recovery and Resilience Mechanism.
- ✓ This extraordinary financial availability can also contribute to increase the levels of competitiveness of the territories, promoting economic expansion strategies for sectors with installed capacity in each region, exerting a structuring effect on the regions in which they are located, functioning as cores of dynamization and multidimensional enhancement.
- ✓ Thank you.