INTERVIEW WITH MS. LAURENCE GRAFF,

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ready comprehensive legislative frame-

Ms. Graff, how long is the EU interested in the climate change and the climate effects?

It started a long time ago, quite some years ago. We have always been rather deeply involved in climate discussions. At the time when the Kyoto Protocol was negotiated we were already deeply involved in the negotiations. Since then we swiftly ratified the Kyoto Protocol and we are now implementing the Kyoto targets. I have to s ay we are well on track to comply with the Kyoto targets. And since then we have already decided to look beyond that and to put in place binding legislation with targets for 2020 with the aim of reducing the emissions by 20% by 2020 and also enhancing the share of renewable energy in the energy makes by 20% by the same date. We are very ambitious, we are very determined, we are taking a lot of actions in the EU and we have al-

work in place to be on track to meet these targets. We definitely believe that we need to do our fair share of the effort. This is a global issue, this is an urgent one. As a developed country we need to do these efforts. But I must say that we also believe that it is not only for the sake of fighting climate change it is also because it is in our self-interest to do so. To do so together with an appropriate set of energy policies, because it brings very important co-benefits. It is also even important to tackle the economic crisis we are in in at the moment, it is a severe one because it brings important benefits for instance of energy saving, of reducing our dependency on energy imports and it creates jobs as well. It is part of "green" growth, it creates "green" jobs, and as such it helps to tackle the crisis. So it is a way not to add another crisis to the existing crisis. But it is rather a part of the solution.

So because of all these reasons we are determined indeed to go ahead with this package and we are even thinking already ahead looking at the long term prospective what would be needed for the EU to prepare for the low-carbon economy by 2050.

Do you think this is a joint action of the member-states or it depends on the individual will of each of them?

I think that is a very good question because we have taken these targets jointly. So that means that is a joint collective effort by the EU and we have a number of policy tools, that are fully harmonized in the EU. That is notably the case of the emissions trading scheme which covers the most polluting installations in the EU, across the EU. But we also have tools that allow for differentiation in between member states depending on criteria like GDP

per capita, depending on the various potentials out there in the member states, depending in short in national circumstances. So it is at the same time an EU collective effort, but while allowing a differentiation in between member states. And the beauty of it, and it is because it is the EU, it allows for fairness, it allows for equity, it allows for solidarity among member states. There is a number of redistribution tools that allows the richest member states to support those who need the support in order to move in the same direction. So I think it is a very complex set of tools, but at the same time allowing the EU to come at the international level and to say that is what we want to put on the table, that is our fair share while so getting everybody on the board in the EU and feeling comfortable while being in different situation.

In terms of motivation, what is the difference between the member-states regarding the climate action? Are some of the countries more motivated, more involved or more aware of the climate change, or their interest is equal?

I would not go as far as saying that everybody is equally motivated. Some are definitely strongly motivated and really believe and they would even wish to go beyond what we agreed upon in 2008. But I think everybody is equally concerned about climate change, everybody realizes that climate change already has an impact in its own country. And everybody is convinced that we

need to act now because otherwise it is going to be even more costly. I think everybody feels comfortable with what we agreed upon because of this fairness that I mentioned and I would even say that is what has been discussed at this moment also in Brussels in between the Commission, the Council and the Parliament. We are discussing the new budget cycle for 2014-2020 and there as well, there will be a new envelope for climate action that will help again those member states that may need that, to support the move towards lowcarbonate economy in their country. So, all in all, some maybe more ambitious than other but everybody feels comfortable with what we have. Of course, we all are also in the process of discussing to what extent we can be even more ambitious. This is being discussed and it is going to take a bit of time, and that is where you see possible differences. But I think, everybody is now completely convinced of the need to act and for the EU to act and to lead because it is really a global race. Other key actors around us like China for instance, are taking are taking actions and as soon as they start we know that they will be very, very quick. So, if we do not want to lag behind, and that can happen very quickly, I think we have to be very cautious and continue with the right level of ambition while keeping everybody on board.

What is the extent of climate change in Europe in the last years and what are the most negative effects resulting from it? "The beauty of the accession process is that it gives us opportunities to work very closely together to exchange our experience, to also through a number of tools, like the instrument for preaccession which has financial support associated to it, to develop a number of projects whereby you can start preparing for the legislation on the basic tools that you need to put in place for the legislations late run."

There has been a continuous trend that climate has an increasing impact including in Europe. I mean it has been documented, we have the last IPCC -Intergovernmental Panel on Climate Change consisting of more of 400 scientists around the world which have looked at the impact of climate change on the world in general, including on Europe. They have issued couple months ago, a new report looking at vulnerabilities. There again in this report it is cleared that Europe is also impacted. Of course Europe is not as impacted as other regions like for instance Africa or like Asia, because last year Asia was really severely impacted, but Europe is definitely. And you see that on a number of very important sectors like agriculture in southern Europe for instance it has enormous implications. The water stress is becoming very acute and we need to look at that. It has implications on infrastructure. Transport infrastructure, all EU big infrastructures across the board that have to be built now need to take into account the adaptation challenge, need to be climate proof if they want to last one, two, three decades. We have been more active on emission reduction in the past than on adaptation but now in the light of the new information that is coming we are getting extremely active on the adaptation side. Looking across the board at what needs to be done in terms of research because we need probably more information to know exactly what kind of impact, on which region and so on and so forth, the mountains for instance





as well. We are developing a strategy that should be coming out at beginning of the next year to look across the board in the different EU policies what would need to be done to better reflect the challenge of adaptation to climate change.

What is your opinion on the climate in the Balkan region and to what extent it influences the European climate?

The latter part of the question is very tricky and it is very scientific, so I will not get into that. I do not really have sufficient sort of knowledge to get into that. The fact is that it is clear that it is quite evident that climate change is happening here, in the Balkan region, overall. You have seen quite a number of extreme weather events, in the last years. It is clear that they will become more frequent in terms of floods, in terms of droughts, from one extreme to the other. So that is clear that it has impacts on key sectors, like for instance in this country the agriculture. So the agricultural sector which is very important sector for the economy is getting more and more vulnerable to a climate change. We will need probably to work with researchers again, to look into ways to make agriculture smart in the light of these changes because inevitably, whether we like it or not, and even if we take a very strong action on the side of emissions, the impact is there and we have to cope with it. So I think, we will have to invest, and you will have to invest also into that, in the coming

years

What action is expected from Macedonia, as a candidate country, towards the climate change? Are there any binding regulations in the EU that are expected to be implemented soon in Macedonia?

Well, as an accession country, of course, Macedonia, should be preparing itself, to the convergence with the EU climate legislation. That is part of the accession process. That is what we have been discussing today that is what we will be discussing tomorrow. Beyond that I would say, I think, in that prospective as a country we need to look into what is out there in terms of challenges in terms of opportunities, in terms of needs, as well. There are a number of strategies that have been already developed in that connection, and that is really a good start, both on the side of climate, as well as on the side of key sectors, like for instance the energy sector, which is the bulk of the emissions in this country. So I think it is a very important sector and I know that action is being taking on renewable energy, on energy efficiency, and that is a very good start. I can only encourage the respective ministries to move even beyond that because it is a start. The transport ministry also is looking into that. In the short term, medium term of course, we will need to be a bit more precise and work further together, to go beyond the strategy and to look into what is out there what is possible in terms of climate targets so to say

and how we decline that into the different pieces of legislation because at the long run, when the country will become, hopefully, a member of the EU, then all the legislation that is in place at the moment in the EU will have to be truly implemented in the country. That is a pretty long process. The beauty of the accession process is that it gives us opportunities to work very closely together to exchange our experience, to also through a number of tools, like the instrument for pre-accession which has financial support associated to it, to develop a number of projects whereby you can start preparing for the legislation on the basic tools that you need to put in place for the legislations late run. I think that is what we will be busy working with the various ministries and that is what we have been discussing today and we will continue tomorrow.

The environmental and the climate change issues are considered as the most difficult for the countries in the pre-accession process. Why are they regarded as the most complex in the process of negotiations?

I am not entirely sure this is true across the board. We just had the experience of one country which has this experience of accession. Obviously that was a challenge, but nevertheless, irrespective of the fact that indeed it is not the case for climate, environment legislation, there is a wide range of pieces of legislation to be taken on board. That is probably where the challenge lies, but I did not have the impression that it was so challenging. I think the main challenge that I see for sure is the challenge of resource and capacity, institutional capacity in the country which is true on the side of climate and environment. It is also true because this legislation, these matters are pretty technical, so it requires a high level of expertise and again that is where we need to work very closely. Because we have these expertise and we need to share it and we need also by the way to share it with other member states which have gone through this accession process and would be very keen to share the experience. But the capacity building issue in the country is indeed an issue. I have heard this morning that there is a prospect in this country to reinforce the team. I think that would be very good news because that will be needed if we want to develop the project first and then get deeper into the technicalities that is really crucial. I think what is also crucial is appropriate sort of coordination system, because you know the challenge with climate change is that you can have a special team devoted to the that, but you also need to work very closely with the transport people, the energy people, the economy ministry people across the board, agriculture of course. You need climate expertise spread out and a really good cooperation.

The latest European Commission's progress report on Macedonia, remarks that a significant awareness-rising at all levels is still needed. Is this remark based on some research that points out that the people in Macedonia are not aware of the effects of the climate change?

The fact is that I think this probably came from the realization that in this country, but it is also the case in many others, climate change is not necessarily yet given the top priority because it is also a question of awareness from the citizens. There has always more efforts to be done in that direction in order to have everybody on board, for everybody also to take all the necessary action, because all of us are citizens, we need to take action, local authorities as well, regional authorities and so on and so forth. And there was this perception that the public awareness across the board was not yet there. This is not a problem in itself, it is quite common. I think it is growing very quickly to be very frank, because people see that the climate is changing and they see the impact. So, this is a matter of years, couple years, but I think this is there to grow. We are not concerned about that, but it is true that compared to other parts of Europe where it is a bit everywhere, it is also integrated in education very early, this is not yet the case but it will come, exactly.

Macedonia, as the other countries aspiring to the EU, does not have enough investments related to the climate change and the environment, which is the reason for the slow progress of the region in these areas. Today, as the IPA funds are available, do you think they are efficiently used for improvement the situation related to the climate change?

I think the country is not yet using them, but there is this perspective that it can and it will and there is what we need to work on. I think the funds are there, there are a number of projects within reach. The envelope and the priority given to environment and climate are there. We need to rip the benefit of that and work together to develop credible projects. That is also the sense of the message that we passed today - that we cannot miss the opportunities that are out there. Again, it is coming back to the capacity issue. Of course, developing a project in itself requires capacity, requires expertise. That is what is urgently needed to be in a position to put in place such a project and for the project to be eligible and to get granted at the end of the day. But I am confident that if there is the political will to do so, I think all together we can work and not miss the opportunity, because it will really be a pity.

The economic growth is always important for Macedonia because we are constantly trying to be in step with Europe. How is it possible on one side to talk about climate ac-

tion and on the other side to talk about economic growth? Is there anything like "green" industry or "green" economic growth?

That is a question we all have. And I have to say we are convinced that economy growth is not incompatible with ambitious environmental protection and climate action, for sure. When you look at what happened in Europe, we have managed to reduce our emissions quite drastically in the last 10 years while at the same time continuing and pursuing economic growth. That means that you can decouple the two. And the two are not mutually exclusive. You can really have the two. I would say that even now at the time where we have a severe economic crisis, taking ambitious climate action together with energy policies. That is very much valued here because I think here there is, just to take an example, a great potential in terms of energy efficiency. When you look at the cost savings, when you look at the energy savings, the fact that you reduce your dependency on oil and gas imports, which at the end of the day are very costly I think it helps to tackle the crisis. It is a solution to the crisis. Not to mention the "green" growth I mentioned. All the sectors producing, exporting low-carbon technologies, services. It is a part of the solution to the crisis, it creates jobs. Creating jobs is the key these days. I think that is the other angle we need to look at. But all in all, yes it is compatible and yes it is a solution to the crisis.

