

# Climate Change Mitigation policies and Social Justice

An exploration of potential conflicts and synergies

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## Introduction

#### Our task:

improve the understanding of the interdependencies between Social Justice and Climate Change Mitigation Policies

→ explore the potential conflicts and synergies between Climate Change Mitigation Policies and Social Justice issues in Europe

#### Structure of the presentation:

- 1. Key climate change mitigation policies (CCMP)
- 2. Social Justice in the context of CCMP
- 3. Evaluation Methodology







## **Key Climate Change Mitigation Policies**

#### 1<sup>st</sup> Step:

selecting key Climate Change mitigation policies which will define the operationalisation of the CC mitigation policy agenda in the EU and Member States for the next 3-5 years

#### Sources:

- Compilation of existing and projected CCMPs in 10 EU Member States
- EU-driven Common and Co-ordinated Policies and Measures + Climate Action and Renewable Energy (CARE) package
- European Environmental Agency's (EEA) estimates of emission reduction potential of individual policies







# **Key Climate Change Mitigation Policies**

## Potential emission reductions per policy measure :

Common and Co-ordinated Policies and Measures (CCPMs)	Published in the Official Journal	Estimated reductions (Mt CO <sub>2</sub> -eq.)
Emissions trading Directive	2003	123.5
Directive on the promotion of RES-E	2001	61.8
Directive on the use of biofuels in transport	2003	32.1
Voluntary commitment by car manufacturers	1998/1999	28.6
Directive on the energy performance of buildings	2002	28.2
Directive on energy taxation	2003	17.5
Directive on CHP to promote high efficiency co-generation	2004	15.0
Directive linking the EU-ETS with Kyoto flexible mechanisms	2003	10.5
Landfill Directive (methane recovery)	1999	7.3
Boiler Directive	1992	5.9
Directive on integrated pollution prevention and control (IPPC)	1996	5.6
Directive on energy labelling of energy using appliances	2003	4.3
Motor challenge programme	2003	3.6



## **Key Climate Change Mitigation Policies**

## Overview of explored policy measures:

	Broad area	Specific instruments					
1.	Power generation and energy intensive industry	EU Emissions Trading System (EU-ETS)					
2.	Penewahla aparay	Feed-in tariffs					
3.	Renewable energy	Green certificates					
4.	Low carbon vehicles	Mandatory fleet average fuel economy					
5.	Low carbon venicles	Renewables in transport					
6.		Energy performance certificates					
7.	Energy performance of buildings	Financial mechanisms for insulation, building integrated renewables and micro-generation.					
8.	Energy taxation	French carbon tax					
9.	Energy consuming products	Phase-out of incandescent light bulbs					







#### 2<sup>nd</sup> Step:

identify analytical dimensions which permit to translate issues of Social Justice to the CC policy agenda

→ operationalize dimensions of Social Justice into indicators

#### Sources:

- Amartya Sen's "capabilities & achieved functionings" approach
- Mapping domains of everyday life which potentially intersect with CCMPs
- Existing literature on social impacts of environmental policies (e.g. Van der Maesen and Walker, 2005; Pye et al., 2008)
- European Commission's Impact Assessment, and other IA, SIA, sIA... schemes

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#### Four main dimensions of Social Justice :

- > **Distributional Justice**; social inequalities stemming from unequal distribution of goods, services, employment... in relation to income
- ➤ **Fair Access**; inequalities linked to unequal access to conditions which improve peoples' capacities to enhance their wellbeing
- > **Environmental Justice**; inequalities originating from differentiated costs, opportunities and environmental effects of CCMPs
- > Intra- and Inter-generational Justice; inequalities linked to diminished opportunities for people outside EU and for future generations to live a valuable life







## Fourteen indicators of Social Justice, e.g.:

#### Distributional Justice

➤ Indicator 1 - Price of essential goods: Does this CCMP increase or decrease the price of essential goods such as food, drink or clothing?

<u>Implications for social justice:</u> Low-income groups use a greater proportion of their income on such essential goods compared to medium- and high-income households. An increase in the price of essential goods, for example, as a consequence of higher energy prices is therefore likely to affect low-income groups more

#### > Fair Access

➤ **Indicator 6 - Health**: Does this climate policy measure improve or worsen public health? How are these effects distributed?

<u>Implications for social justice:</u> Some policy measures, such as those directed at improving the quality of the housing stock or promoting a modal shift to cycling and walking can have significant co-benefits in terms of public health?







#### Environmental Justice

➤ Indicator 10 - Distribution of climate policy costs: Are the costs of these climate policy measures, including taxes, levies and grants, fairly or unfairly distributed among social groups? Do they imply higher costs for low-income households expressed as a share of their income?

<u>Implications for social justice:</u> Besides the logic of 'the polluter pays', social justice should also take into account a fair distribution of the costs of CCMPs among citizens and avoid regressive impacts, which weigh more on low income and other vulnerable groups

#### Intra- and Inter-generational Justice

➤ Indicator 14 - Inter-generational ecological debt: Are these climate policy measures environmentally effective? Is their overall impact, both on the climate and other ecological concerns such as natural resource consumption, generally positive or negative? Are there negative effects that will be transmitted to future generations?

<u>Implications for social justice:</u> The current generation has the responsibility to safeguard the environment without incurring the creation of unreasonable ecological debts that will weigh upon future generations





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## The Evaluation Methodology

### 3<sup>rd</sup> Step:

evaluate the (9) selected policy measures in terms of their likely (positive or negative) impact on Social Justice dimensions

#### The scheme:

- Assign positive (+) or very positive (++) and (negative (-) or very negative (--) values when policy measures reduce or increase social inequalities
- > Assign (0) when no relevant effect; (?) when impact is uncertain
- Data are supported by impact assessment analyses (where available) and by scientific literature
- If precise data were unavailable, evaluation based on "informed guesses"
- Selection of indicators are explored with more detail for each policy measure

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# **The Evaluation Methodology**

## The synthetic overview (1/2):

			Broad areas of intervention	Power generation/ energy intensive industry	Renewable energy		Low-carbon vehicles		Energy performance of buildings		Energy taxation	Energy- consuming products
			Policy instruments evaluated	EU ETS	Feed-in tariffs (GE)	Green certificates (UK)	Mandatory fleet average fuel economy	Renewables in transport	Energy performance certificates	Financial mechanisms for buildings	Carbon tax (FR)	Phase-out of incandescent light bulbs
Social justice domains		Indicators										
Distributional justice												
	1	Price of essential goods		-	-	-	0	-	0	0	-	0
	2	Cost of domestic energy services		-	-	-	0	0	-/+	++	-	-/+
	3	Transport costs		0	0	0	0	-	0	0	-	0
	4	Employment effects		?	+	+	?	(+)	+	+	?	-
	5	Labour market transition / restructuring		?	?	?	?	?	?	?	?	?
Fair access												
	6	Health		+	+	+	+	?	?	+	+	-/?
	7	Consumer access to information		0	0	0	+	-/?	+	?	0	-
	8	Citizenship		0	0	0	0	0	+	0	+/?	0
	9	Gender equality, non- discrimination, equal treatment		0	0	0	0	0	0	-	-	0

# **The Evaluation Methodology**

## The synthetic overview (2/2):

			Broad areas of intervention	Power generation/ energy intensive industry	Renewable energy		Low-carbon vehicles		Energy performance of buildings		Energy taxation	Energy- consuming products
			Policy instruments evaluated	EU ETS	Feed-in tariffs (GE)	Green certificates (UK)	Mandatory fleet average fuel economy	Renewables in transport	Energy performance certificates	Financial mechanisms for buildings	Carbon tax (FR)	Phase-out of incandescent light bulbs
Social justice domains		Indicators										
Environmental justice												
	10	Distribution of climate policy cost		-	-	-	0	?	0	?		0
	11	Distribution of environmental quality		0	0	0	0	0	0	+	0	0
	12	Companies' environmental responsibility		+	0	+	+	0	0	0	0	+
Intra- and Inter- generational justice												
	13	Sustainability of public finances		+	0	0	0	0/-	0	-	+	0
	14	Inter-generational ecological debt		+	+	+	+	?	+	+	+	+