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## Connie Hedegaard

EU Commissioner for Climate Action

Good evening, sehr verehrter Bürgermeister Scholz, meine Damen und Herren, Ladies and Gentlemen,

It's a great pleasure to be here. Not only because I've been looking forward to this event and to this very important conference - and to seeing some of the solutions in Hamburg tomorrow. But also because, despite the fact we were delayed, I was lucky enough to catch the last plane that was allowed to land in Hamburg due to the thunderstorms.

I think that it's a very fine place to host this event in Hamburg and I think it's a very fitting location. I know that Hamburg, over the last thirteen years, has not only reshaped itself and started „den Sprung über die Elbe“, the leap over the river Elbe, but has also succeeded in positioning itself internationally as a green city and as a role model.

Actually, Hamburg has many things in common with my city Copenhagen: Both are built close to the water, their ports are not only part of their maritime heritage, but they are still important for the economic development of the city and its hinterland, and Copenhagen and Hamburg have expanded their city centres into former port areas and converted them into new residential districts.

And both cities are also members of the exclusive club of European Green Capitals. Hamburg had the honour and the title in 2011 and I know that Copenhagen is very much looking forward to having the title next year.

I believe that one thing all future Green Capitals have learned from Hamburg is what we have already been hearing about tonight: The link between urban planning, innovative ways to reduce greenhouse gas emissions and strengthening resilience against climate risks, I really think that you have inspiration to give to others.

But let me start very briefly by setting out the overall context in which the discussions in your symposium will take place. We all know that the global climate is changing and somehow in the back of our mind most of us register when they tell us that atmospheric concentrations of CO<sub>2</sub> have now reached 400 parts per million. But I wonder how many of us really grasp what it is about, this strange thing called climate change.

And therefore I would like - in order to make it a bit more tangible - to play a small movie for you. As you can see it's a map of the world and what you can see is not a forecast, it's not predictions from scientists, no, it is how the actual temperatures on Planet Earth have developed, have been registered at all the different measuring points throughout the globe since 1880.

And you can see where it's blueish, it means that it's getting colder, where it's yellow, orange and red it means it's getting warmer and as you can see for most of the period the temperature goes up, it goes down, it turns blueish then it turns more yellowish, but then look what happens after 1990.

And here you can see the difference between now and a hundred years ago (1912–2012). This gives us an idea of what we are in for and when we listen to science. Science tells us that this is just the very beginning, it's actually going to be worse. And our lifestyle, the way we create our growth - by using a lot of fossil fuels -, is part of the problem.

At the same time, as Mayor Scholz also mentioned, we are getting still more people on our planet. My grandmother was born in 1901. At that time there were just about one billion people on Planet Earth, whereas my children will be living in a world with nine billion global inhabitants. All of them of course want a share in the good life, with all the modern commodities in terms of food, water, energy, heating, cooling and mobility that we have. I think it's fair to call that a double challenge, but on top of that, right now in Europe we are experiencing a very, very severe economic crisis that has also developed into a social and job crisis.

Although these two crises keep politicians more than busy these days and these past few years, it does not mean that the climate change crisis has solved itself. It's still here and I really believe that the task of politicians of today and our responsibility is to grasp that we have three crises at hand and that we need to find the way out of the economic crisis and the job and social crisis, and that can also benefit how we are handling the climate change crisis.

I believe that there are many intelligent things you can do about the crises. Just to give you one example: By addressing energy efficiency we can save money. People need to save money when you have tough times. We can create jobs, local jobs that cannot be outsourced to China if you retrofit housing, social housing in Hamburg - it creates jobs in Hamburg obviously. And at the same time it can do something good for our common environment, for our climate.

But I think we have a more structural problem. In politics there is a tendency - particularly in a crisis - to turn towards short term thinking. But the challenges and many of the very, very big issues out there are long-term. So that's one of the paradoxes politicians have to deal with.

At the same time I would also argue that the way we have structured our systems, in the ministries, in the European Commission, in all our administrative structures, and also in our business, we have this tendency to organise ourselves in silos - issue by issue by issue. But what we have to do is exactly to think across the whole board, to think in a cross-cutting way as we also heard from the city planners earlier.

So there are some rather substantial challenges to the normal way we do business and there is an enormous responsibility on all of us dealing with politics. However I do think that we cannot just leave this to the politicians - we really need the involvement of business that has to come forward with the solutions, the research community that will have to contribute to the solutions. We very much need their contributions. And there is also a responsibility with each individual citizen.

Politicians have different responsibilities at different levels. What we can do at the EU level is get the targets right. I think we have a good story to tell in Europe: It helps when you put up targets because that helps politicians and governments to stay focussed. Even during this economic crisis we have seen how the targets we have for renewable energy, for energy efficiency, for CO2 reduction in Europe have helped governments to stay focused and for instance expand rather significantly in the field of renewables despite of the crisis. And luckily we have also seen that the green sector, efficiency, renewables, waste handling, have been among the most resilient sectors when it comes to protecting jobs during the crisis. That is part of the very good story.

But it's very important to set targets and that's why in the European Commission we are now looking towards 2030. I can tell you it's not because we don't have our hands full with today and tomorrow - with the crisis in Spain or Greece. But we think that for investors it's absolutely crucial to get a clue about where Europe is heading after 2020. If you are an investor in the energy field for instance or if you are planning a city you want to know what the overall framework is, what the targets for 2030 are. And luckily Europe's heads of state and government endorsed

this strategy on 22 May and welcomed that we are now moving forward to define the 2030 targets.

The other thing we can do on the European level is to get the pricing right. I know that the cost of energy is one of the very big issues also discussed in Germany but we must understand that we are in for a transformation in the way we tax things. If we need more people to work, then maybe we should not tax labour as much. Whereas if we want people to save resources and energy, maybe it's a better idea - when you have to find where to get your revenues from - to tax resources and energy. Pricing is important - that's why we have a price on CO2 in Europe. That's also why we have a tradition of making it expensive to pollute so that there is an incentive to find other solutions.

And the last tool I would mention that we have in Europe is of course regulations where we try to push new solutions forward by putting ambitious yet realistic standards, be it for cars - I know this is an issue being discussed in Germany very much - or refrigerators. We can use the tool of clever regulation for many goods.

And of course there are also a lot of things that member states must do. But I believe that when these overall targets and this overall political framework needs to be translated into specific action, that is where cities and municipalities very much come into the picture, because you are the ones closest to the citizens. Nowadays, three in four Europeans live in urban areas and now our cities account for around 70 % of the total energy consumption in Europe. Cities are focal points of our economic activity; port cities like Hamburg are gateways for exports and imports of products.

There are also many downsides to this. Just take our traffic situation, how much time we waste in congestion in European cities. When you measure it economically, all the time we waste sitting in traffic lines that move only slowly actually costs one percent of our GDP each year. But again that also reminds us that if we find the smart solutions and the integrated solutions, there will also be a lot of co-benefits.

Take transport. If we have cleaner transport, more coherence between public and private transport, we can reduce the climate impact, we can increase the energy efficiency, we can bring down the cost of imported fossil fuels, we can have less noise in our cities, a better environment, less pollution, better air quality and less health impact.

That's the kind of solution we need to identify. But I of course know that there would be people arguing „yes but that's all very true and let's come to this one day“, but that one day would not be until the crisis is over, because it costs something to invest in these kind of things. To that I just have to say that we must not fool ourselves in Europe. Our competitors in other parts of the world are moving and they are really moving fast. And actually we in the European Commission, we have tried to calculate and analyse which sectors in society will have the potential of creating a net increase in jobs before 2020. Three sectors stood out: information and communication technologies, health - because we are getting older and older in Europe -, and then the green sector with efficiency, renewables and waste handling. There is a potential of millions of new jobs to be created.





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**Olaf Scholz** (First Mayor of the Free and Hanseatic City of Hamburg), **Connie Hedegaard** (EU Commissioner for Climate Action), **Jürgen Bruns-Berentelg** (Chief Executive Officer of HafenCity Hamburg GmbH), **Uli Hellweg** (Managing Director of IBA Hamburg GmbH) (from left to right)

That is why in order to get moving we really need the good solutions, the positive solutions, the positive message, if we want to move people and change everybody's mindset about these things. We have this saying in journalism 'don't tell it, show it'. People need to see that the solutions are out there, it's not sort of a distant vision only, and that's where conferences like this really can make a difference.

One thing is to show the solutions, but now the challenge is also to scale them up. I have this hobbyhorse that in Europe we are very good at finding new creative ways of doing things, but we are not very good at sharing with each other when we have invented something great. I'm often a bit surprised - I think some of you will know it from your own cities - that we think we have invented something fantastic and then we find out that 50 km or 100 km away somebody else has already had a good or bad experience with exactly the same thing. We must be much much better at scaling up and sharing the good and the not so good practices.

I think one area where for instance Hamburg - our host city tonight - has positioned itself as a leader is adaptation to climate change. Protecting itself against weather-related risks has been high on Hamburg's agenda since the great flood of 1962. In the HafenCity, it has even become a visible design element. The reason floods here in Germany, just a few hundred kilometers upstream on the river Elbe, have shown once again how important adaptation measures are. We have seen what the consequences are in Slovakia, in Hungary, in Austria. Yesterday we saw it in the Pyrenées, both in the French part and in the Spanish part. Where will it be tomorrow? I believe that the floods have offered a painful and expensive lesson on the consequences of having protection systems that - when put to the test - are not sufficiently resilient to cope with extreme weather events.

And it also shows how continuing business as usual also comes with a price, even if that is often difficult to grasp, in particular for finance ministries. They think if we deviate from business as usual it spells costs. Yes, but if we don't, it also spells costs. Let's see what the whole bill will end up being in Europe for what we are seeing in these weeks and months. And just to be clear so I'm not misquoted or misunderstood - I'm not saying every time it rains it's due to climate change, I just think that it's interesting how much of what we are seeing around us fits with what scientists have warned us would happen in exactly our part of the world.

So, I believe that it's better to invest in getting things right than continue to invest in something where we know we will not get it right. We have this calculation for Europe, done by the International Energy Agency, where they show that we can invest right or wrong in Europe, but the costs will almost be the same because we have some very old energy systems. They have to be renovated anyhow, and the cost of doing it in a way that is right climate-wise will be almost the same.

Again, this is one example of how we should get things done, how we must get the policies right, but also how we must work much more together. That also goes for the local level. In this respect I think that one huge success story is the Covenant of Mayors, which engages European towns and cities in the fight against climate change. Signatories commit themselves to go beyond the EU climate and energy goal set for 2020 by reducing carbon dioxide emissions in their territories by at least 20 per cent. More than 4700 cities representing almost one hundred and seventy million European citizens have done so to date and I'm glad to see that Hamburg is among them. The covenant is even expanding beyond European borders now, inspiring others to follow the very good examples.

Now we are planning to launch a similar initiative to support the European adaptation strategy. Because there, too, we must be much better at learning from one another and have electronic systems ready so that when a catastrophe hits you can go in and see who else had the same problem, what did they do with success, where did they fail, how can we get inspired by that? It goes without saying that we really need to be innovative and creative when it comes to adaptation solutions.

Innovation is also at the core of the EU's Smart Cities and Communities partnership. This initiative encourages the energy, transport and ICT industries to combine their technologies and work together to address the needs of cities and improve the lives of our citizens. Whether we like it or not, we will have a lot of growth in years to come, globally but also in Europe. The intelligent question is how do we make this growth more sustainable?

And here the smart cities partnership supports cities and regions in taking ambitious and pioneering measures to progress towards a 40 per cent reduction in greenhouse gas emissions by 2020 through the sustainable production and use of energy. This will require systemic approaches and organisational innovation encompassing energy efficiency, low carbon technologies and the smart management of supply and demand. And just so that that is said, there is actually quite substantial EU financing for this. In the EU's overall budget for 2014 to 2020, at least 20 per cent will have to go to promote our climate targets. So it goes without saying that also for much of the EU funding in innovation and structural funds, in energy and transport infrastructure we will increasingly take care that these investments are done in a climate-proof way and in a way that leads us towards fulfilling our climate goals.

Herr Bürgermeister, meine Damen und Herren, Ladies and Gentlemen,

None of us would like to live in a world where everything is dictated by politicians, so there is only so much politicians can and should do. In democracies, each citizen must take responsibility and make their elected representatives know that they also expect them to dare to think not only for the short term but

also for the longer term. I'm sure that your discussions at this conference will give renewed impetus and energy to the needed transition.

As a fact, I believe that the more you can show some attractive solutions out there, the more people want to do something differently tomorrow from what they did yesterday. Every day delivers new evidence that the film, this picture, is moving in the wrong direction and our speed towards the wrong development is unfortunately accelerating. That's why it's urgent that at all levels we must make our contribution to finding a smarter way to create our growth, a smarter way to build our cities. I'm therefore looking forward very much to what comes out of this Fachkonferenz.

I noted this motto, „Wir warten nicht“, that goes for Hamburg, I hope it could go for all of us in Europe, „Wir warten nicht“, we must speed up and scale up what we do. That will benefit us all in the longer run.

Thank you very much and have a good evening and a good conference.

*Connie Hedegaard at the international conference »Building the City Anew« on June 20 in Hamburg.*