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## REPORT

Czechia and Slovakia first response: National perceptions of 2030 target and implications for recovery policy

Thursday 12th of November 2020, Online

On November 12<sup>th</sup> 2020, an online roundtable titled "*Czechia and Slovakia first response: National perceptions of 2030 target and implications for recovery policy*" was organised by EUROPEUM Institute for European Policy, Centre for Transport and Energy and Globsec, in cooperation with the Permanent Representation of the Czech Republic to the EU.

The aim of the roundtable was to reflect on the proposed higher emission-reduction target by 2030 and discuss its ramifications for Czechia and Slovakia. The countries' outlooks were presented by Pavel Zámyslický (Director, Department of Energy and Environment, Ministry of Environment of Czechia) and Gabriela Fischerová (Director General, Directorate of Climate Change and Air Protection, Ministry of Environment of Slovakia). An overarching view on EU climate ambitions was presented by Zdeněk Čech (Head of Economic Analyses Section, European Commission Representation in Slovakia). The technical feasibility of the proposed 55% target was elaborated upon by Chris Rosslowe (Energy and Climate Data Analyst, Ember). The keynote speech was delivered by H.E. Jaroslav Zajíček (Ambassador of the Czech Republic to the EU). The debate was moderated by Kateřina Davidová (EUROPEUM/Centre for Transport and Energy).

Ambassador Zajíček started off the discussion by pointing out how far the EU has come in its climate policy since 2007, when the first climate targets were agreed upon. He also underlined, that both pragmatism and goodwill will be needed in order to reach a common decision on the enhanced targets in December. Enabling framework will be key for the

transition, which will be more painful for some countries than for others. Mr Zajíček welcomed the existence of several EU funding instruments that will help facilitate the green transition. The debate then focused on what the increased target would mean for Czechia and Slovakia and how is it technically feasible.











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All the speakers agreed that it is necessary to increase the EU's climate ambition, however, it is important to ensure it does not harm the economies of the Member States.

For Slovakia, it is important to grant Member States the flexibility in reaching their share of the collective target. Furthermore, the decarbonisation effort sharing should be calculated based on GDP per capita. State aid rules have been mentioned as one of the obstacles for further decarbonisation of private companies, especially in the heating sector.

For Czechia, one of the most problematic areas is the LULUCF sector, which due to the bark beetle outbreak has moved from negative emissions to being responsible for about 10% annual emissions. The highest potential for emissions reduction by 2030 is in the ETS sector, notably in electricity and heating. The necessary measures would require approximately 1% of GDP in investments per year.

According to a recent <u>study by Ember</u>, which was presented at the round table, it is possible for Czechia to reach the updated 2030 target and even overachieve it. A coal phase out in 2030 is achievable and would reduce 60% of Czechia's emissions from 1990 levels. In the most cost-effective scenario, this would by accompanied by the scaling up of solar and wind power (to 10 GW and 4 GW, respectively). The transition is thus technologically feasible, but its success will lie on political will and public acceptance.

Participants have agreed that innovation will be key to managing the green transition of the EU, while maintaining its global competitiveness. The existence of various EU funding opportunities is welcomed, but the need for substantial investments from the national budgets needs to be acknowledged and managed in a cost-effective way.



