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PARLIAMENTARY DIMENSION

Background Notes Session I

Meeting of the Chairpersons of Economic and Environmental Affairs Committees

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MALTA

Session I: The Social and Economic Impact of Climate Change: The Costs of Doing Nothing

This session focuses on the numerous consequences of letting climate change take over, thus making a strong argument in favour of taking action. Taking action can consist in either adapting to climate change or mitigating its causes. During this session, we aim to explore the positives and negatives of each approach. Member States have adopted different strategies; however, not all have made fast progress. This session will thus provide the Chairpersons with an opportunity to exchange views and best practices in this regard.

The costs of not taking any action to combat climate change are not only purely economic and affect each region of the globe in a different way.

For example, climate change is poised to make matters worse for small-scale farmers as a result of a shift in climate and agricultural zones, changes in production patterns due to higher temperatures and more extreme and changing precipitation patterns all of which threaten crops. This could erode families' livelihoods and main source of income; threaten food supplies and security and increase volatility in global food prices.

Developing countries, who did not significantly contribute to the amount of greenhouse gases in the atmosphere, are now at an even greater disadvantage when it comes to coping with the devastating effects of climate change. Developing countries already struggle with lack of infrastructure and lack of technological and financial resources, among a number of other concerns that hinder their ability to adapt.

Climate change will also likely affect tourism and recreational activities. A warming climate and changes in precipitation patterns will likely decrease the number of days when recreational snow activities such as skiing can take place. Beaches could suffer erosion due to rising sea level and storm surge. Changes in the migration patterns of fish and animals would affect fishing and hunting. Also, climate change may make it harder and more expensive for many people to insure their homes, businesses or other valuable assets in risk-prone areas, or preclude them from insurance altogether.

In spite of all the incessant efforts in the past decades to eradicate poverty and inequality amongst peoples, climate change will only

make the situation worse because disadvantaged groups do not have the resources to cope with its effects, such as displacement due to extreme flooding or droughts, turning them into climate refugees. Mass movements of people and social disruption may lead to civil unrest, and might even spur military intervention and other unintended consequences.

During this session, the impact of climate change on the economy will also be explored. Temperature rise resulting from climate change may radically damage the global economy and slow down economic growth in the coming decades if nothing is done to slow the pace of warming, according to new research published in the journal *Nature*. According to the researchers behind the study, temperature change due to unmitigated global warming will leave global GDP per capita 23% lower in 2100 than it would be without any warming.

Other than the direct impact of increasingly warm temperatures on productivity and output, extreme weather conditions such as floods, droughts, wildfires, extreme storms and rising sea levels require extensive repair of essential infrastructure such as homes, roads, bridges, railroad tracks, airport runways, power lines, dams, levees and seawalls.

Also, disruptions in daily life related to climate change can mean lost work and school days and harm trade, transportation, agriculture, fisheries, energy production and tourism resulting in a loss in productivity. Severe rainfall and snowstorms can delay planting and harvesting, cause power outages, increase traffic congestion, delay air travel and make it difficult for people to go about their daily business. Climate-related health risks also reduce productivity, such as when extreme heat curtails construction, or when more potent allergies and more air pollution lead to lost work and school days.

Keeping in mind the arguments above, doing nothing to address climate change is not an option. Furthermore, not taking urgent action now would in the long-run turn out to be the most costly route to take. Societies may find ways to prepare for and cope with some climate impacts, provided that countries do not let carbon emissions continue unabated. However, coping strategies are likely to be more costly than steps to reduce carbon emissions thereby reducing associated climate impacts.

For example, farmers might need to irrigate previously rain-fed areas, cool vulnerable livestock and manage new or more numerous pests. Local and state governments that take early steps to ensure that houses are more energy efficient and build early warning systems for heat waves and disasters and add emergency responders are more likely to cope with extreme events. Governments may also have to build seawalls, contain sewer overflows and strengthen bridges, subways and other critical components of the transportation system. Studies show that rebuilding after disasters strike is likely to prove even more costly than these preventive measures that could be taken.

This session also aims to explore the specific role and contribution that parliamentarians can have in this debate. Member States of the EU are bound by EU and international obligations; however, parliamentarians could use their influential roles to give impetus to the debate and increase the level of ambition of their respective governments to pass necessary laws, depending on the needs and circumstances.

Questions that may guide the discussion:

- How real is the phenomenon of climate refugees?
- What should the responsibility of EU Member States be in limiting forced displacement of climate refugees or in hosting them within their territories as other refugees fleeing war, persecution and human rights violations?
- Should the focus of taking action be on adapting to climate change or on mitigating the problem at source? What are the pros and cons of these two approaches?
- What role could parliamentarians have in ingraining a culture of taking action to combat climate change?