



# Is tackling global warming a business opportunity for Europe?

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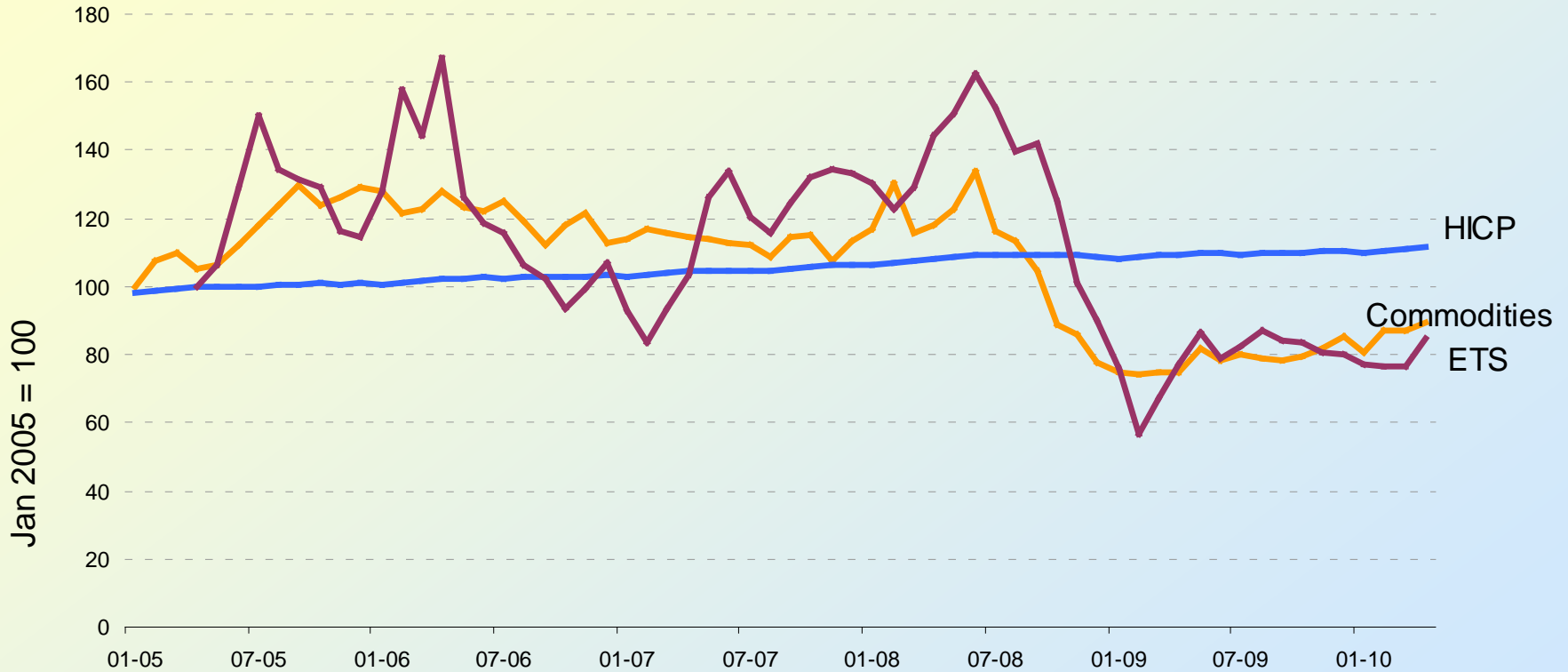
European Commission

Brussels Economic Forum, 25 May 2010

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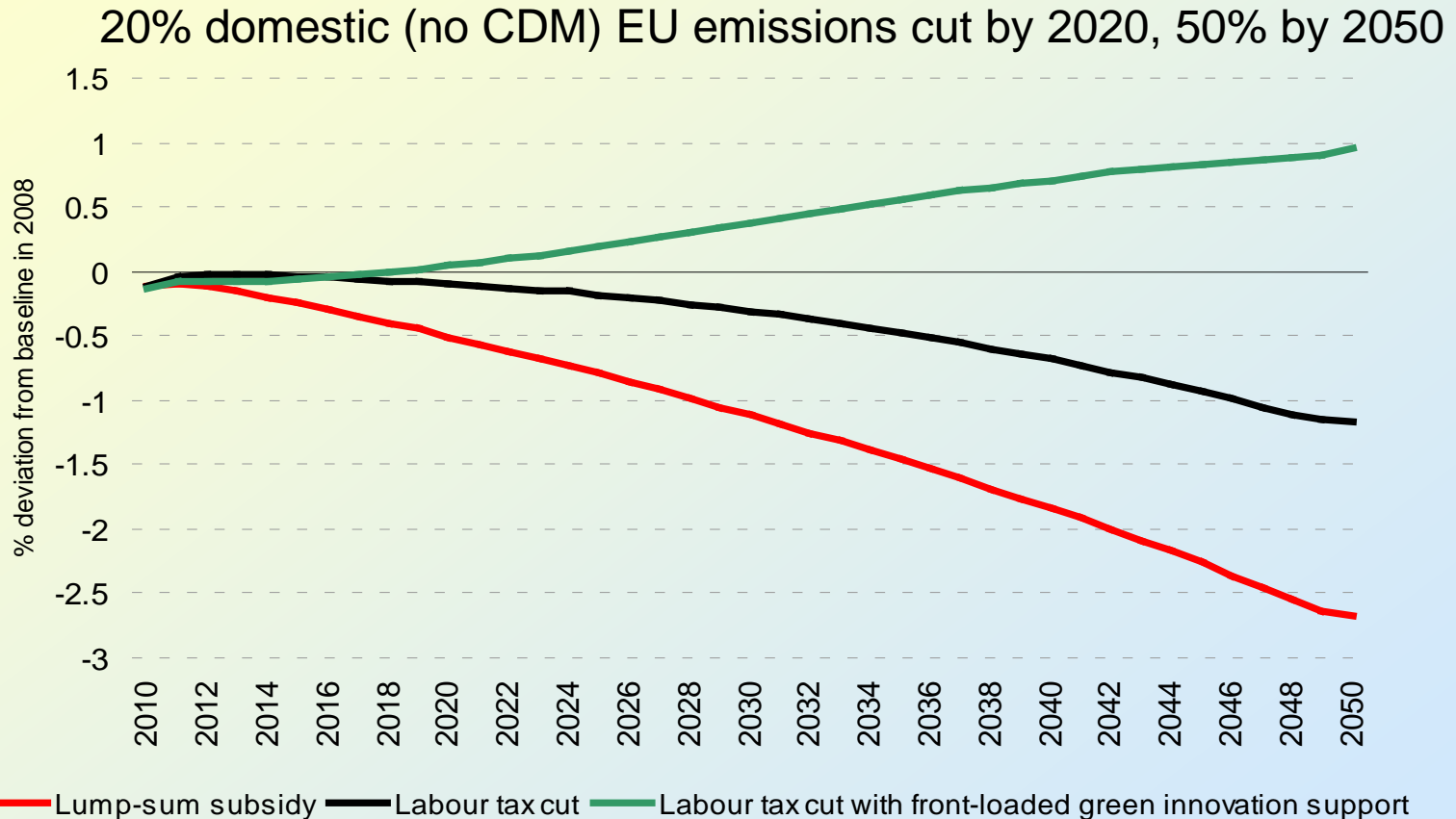
# Price signals, ETS and commodities



➤ *short-term price volatility : policy must set clear long-term goals*



# Turning costs into benefits – the role of R&D policies

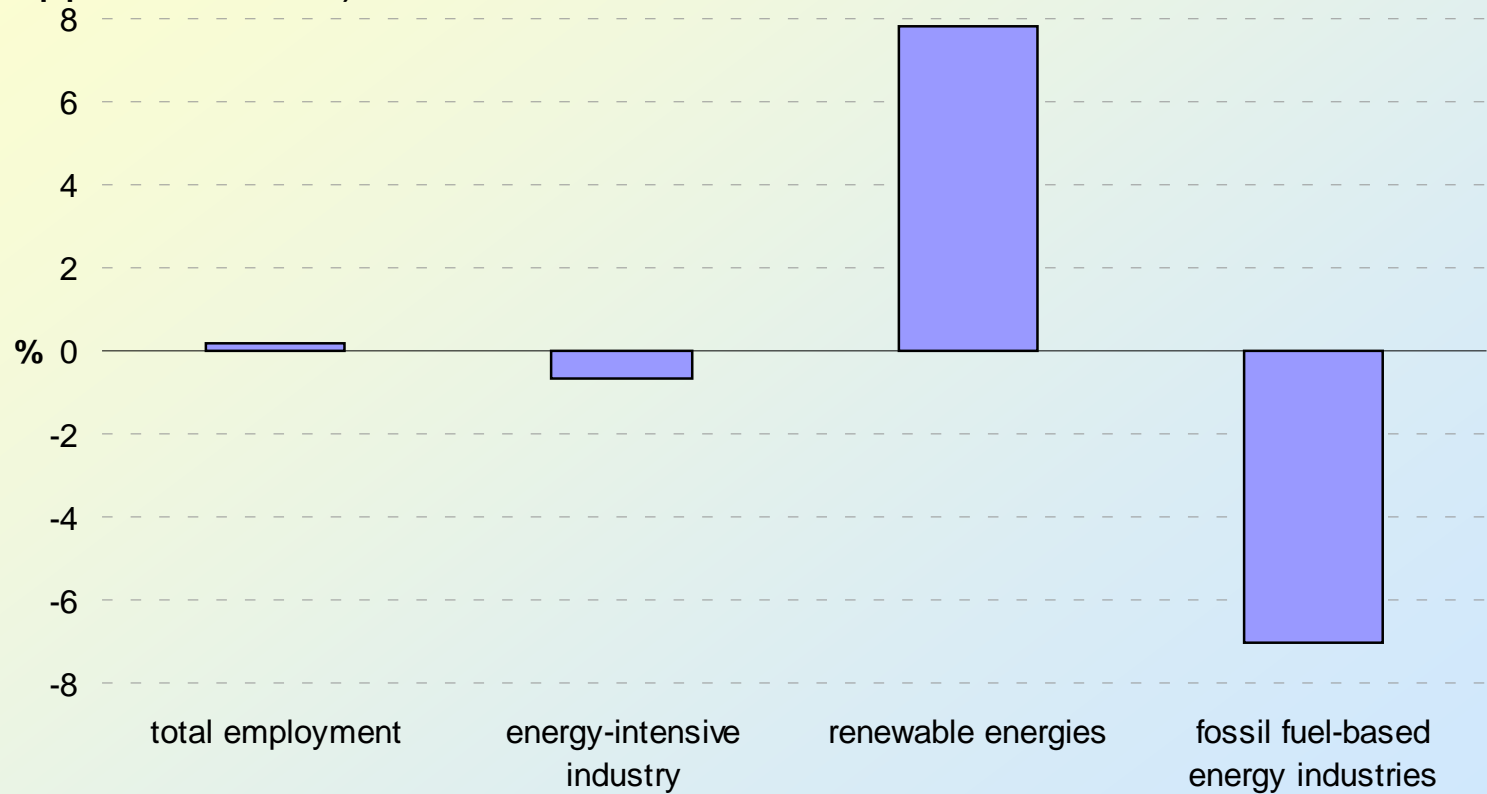


➤ *Green R&D could be an important part of the policy mix*



# Winners and losers

Percentage change in employment, 2020 (front-loaded innovation support scenario)



➤ *Importance of comprehensive policy packages*



## Example: support for renewable energy

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- Rationale: climate change, energy security, R&D
  - Current support: ~€15 billion/year for <20% of EU electricity
  - Wide difference in average support per kWh: wind < 10 ct; photovoltaic > 30ct
  - 2020 goal: RES ~30% of EU electricity
  - *Tailor support more closely to underlying market failures; avoid overlaps*
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