

## EU CAN DEEPEN CARBON CUTS BY AN EXTRA 20% AT MODEST COST: REPORT

The EU can achieve more ambitious emission reductions without investing in new technologies.

The Potsdam Institute for Climate Impact Research reported that the EU has the potential to reduce emissions by 40% through 2030 from 1990 levels, compared to its current target of 20% by 2020 at the cost of less than an additional 0.7% of its GDP using current technology.

The EU can achieve its target by focusing on biomass fuel and wind energy instead of the costly and untested carbon capture and storage method.

Current technologies will only be sufficient for the next two decades to reduce emissions, after which it will face escalating costs to achieve its long term goal of 80% emission reduction by 2050.

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## INVESTMENT IN CLEAN ENERGY NEEDS TO TRIPLE, SAYS UN CLIMATE CHIEF

Cost of increasing clean energy investments has to reach 4% of global GDP in order to remain within the global warming cap.

UN climate chief, Christina Figueres, has said that global financial institutions need to invest USD 1tn a year ([approximately 4% of global GDP](#)) by 2030 from the current annual spend of USD300bn on clean energy projects. Only this would facilitate a shift away from oil and coal, thereby ensuring that the increase in warming stays below dangerous levels of 2°C.

The request comes as Bloomberg [reported](#) that the global clean energy investments fell 12% YoY during 2013 to USD254bn, compared to a 9.1% decline in 2012.

The climate chief claimed that the world's biggest investors, pension funds, insurance companies, foundations and investment managers who control approximately USD76tn assets, are investing less than 2% in clean energy while still investing between 10-15% in fossil fuels.

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## BRITAIN POISED TO BECOME EUROPE'S HOTTEST SOLAR MARKET

Generous government subsidies and depressed panel prices are expected to attract large-scale solar plant developers to the UK.

The British government's pledge to provide subsidies to solar projects, irrespective of size, and low panel prices (which have halved since 2011) is attracting large scale solar project developers to the UK.

Britain received GBP750m for MW-scale projects in 2013 from investors such as Martifer SGPS SA (FRW GR) and the Dutch Infrastructure Fund BV.

The country's energy minister forecasts that the UK could have as much as 20GWs of solar capacity installed by 2020, more than 6x the current solar capacity, making Britain

the second-largest solar nation in Europe.

Guaranteed power prices for renewables by the government through 2019 and a certification system that provides financial aid for solar parks until 2017 could further attract investors to fund UK solar projects.

However, Britain's previous decision ([Sustainable Insights: Edition 20](#)) to reduce the guaranteed price for power generated from onshore solar plants could hinder its progress towards dominating the European solar market.

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