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Climate change response strategy toward long-term zero CO₂ emissions

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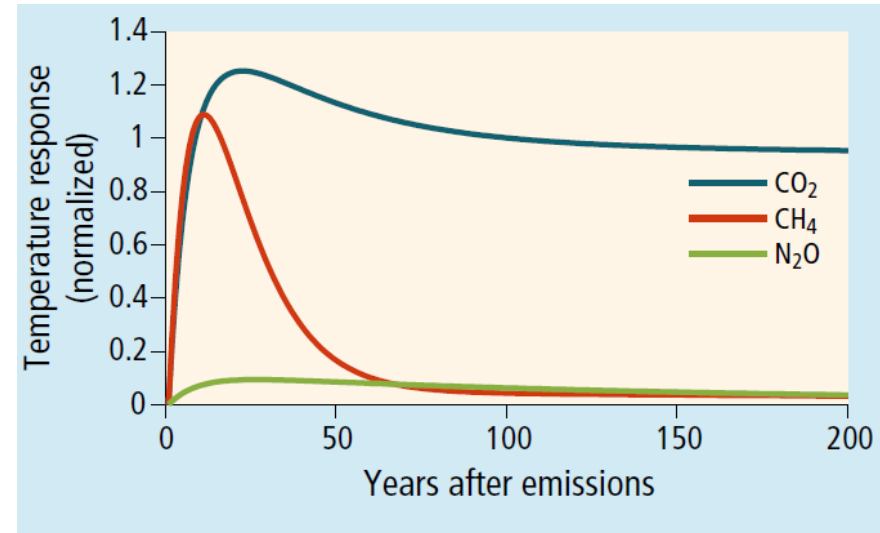
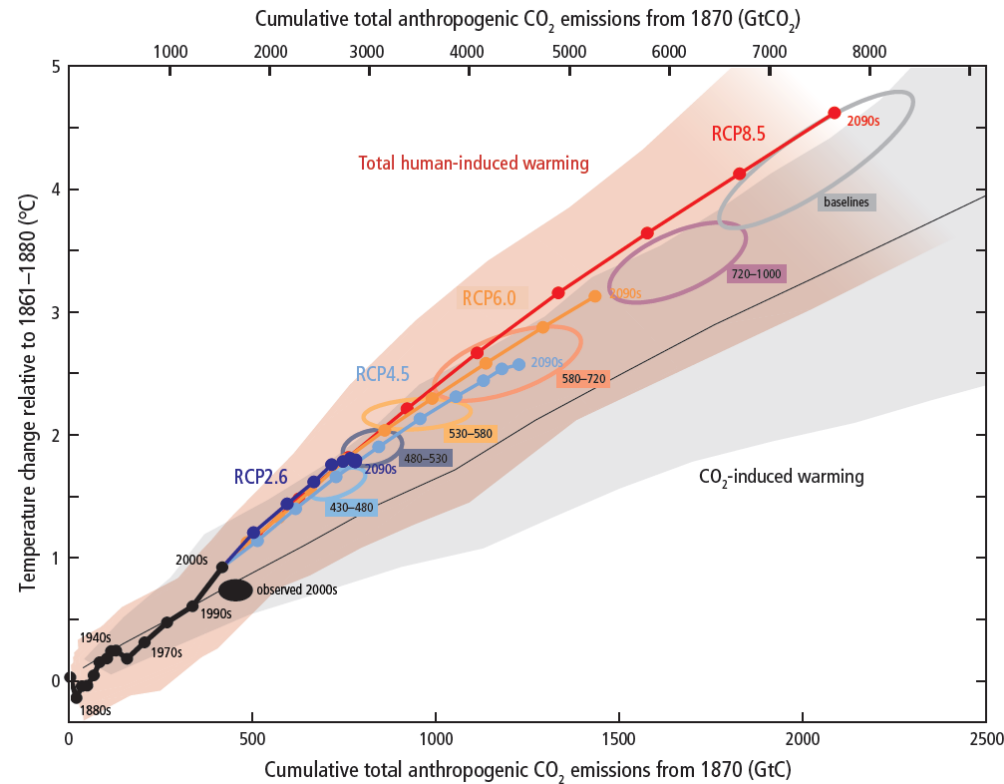
Research Institute of Innovative Technology for the Earth (RITE)



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- 1. Required long-term goal and uncertainties in short/mid-term pathway**
- 2. Mitigation costs – the gaps between the ideal mitigation costs and real costs**
- 3. Climate change mitigation measures under different socioeconomic conditions**
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- 5. Innovations and emission pathways**
- 6. Conclusions**

Relationship between cumulative CO₂ emissions and temperature rise



Temperature response to emissions in 2010; the responses are normalized by the amount of contribution of CO₂ emission after 100 years past

Source) Synthesis report of IPCC AR5

- Approximately linear relationship between cumulative CO₂ emissions and temperature rise can be observed.
- Nearly net zero CO₂ emissions are necessary for the stabilization of global temperature at any level.

History of climate sensitivity judgment by IPCC and the sensitivity employed in the scenario assessments of the IPCC WG3 AR5

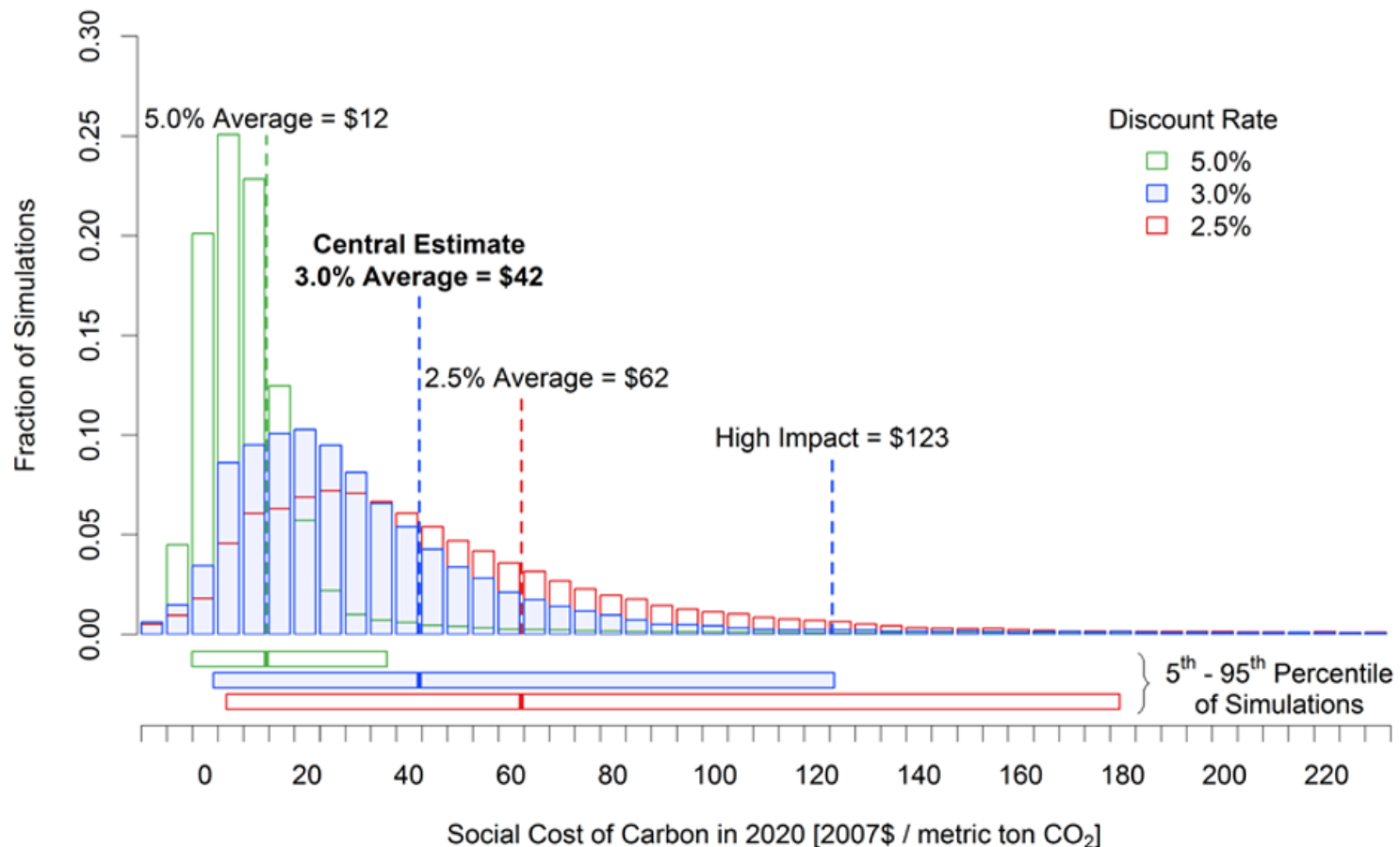
	Equilibrium climate sensitivity Likely range (“best estimate” or “most likely value”)
Before IPCC WG1 AR4	1.5–4.5°C (2.5°C) ← Same “likely” range
IPCC WG1 AR4	2.0–4.5°C (3.0°C)
IPCC WG1 AR5	1.5–4.5°C (no consensus)
Global mean temperature estimations for the long-term scenarios in the IPCC WG3 AR5 (employing MAGICC)	2.0–4.5°C (3.0°C) [Based on the AR4]

[The related descriptions of the SPM of WG1 AR5]

Likely in the range 1.5 °C to 4.5 °C (high confidence)
Extremely unlikely less than 1 °C (high confidence)
Very unlikely greater than 6 °C (medium confidence)
No best estimate for equilibrium climate sensitivity can now be given because of a lack of agreement on values across assessed lines of evidence and studies.

- ◆ **The equilibrium climate sensitivity, which corresponds to global mean temperature increase in equilibrium when GHG concentration doubles, is still greatly uncertain.**
- ◆ **AR5 WG1 judged the likely range of climate sensitivity to be 1.5–4.5 °C, in which the bottom range was changed to a smaller number than that in the AR4, based not only on CMIP5 (AOGCM) results but also other study results.**
- ◆ **AR5 WG3 adopted the climate sensitivity of AR4, which has the likely range of 2.0–4.5 °C with the best estimate of 3.0 °C, for temperature rise estimates of long-term emission scenarios.**

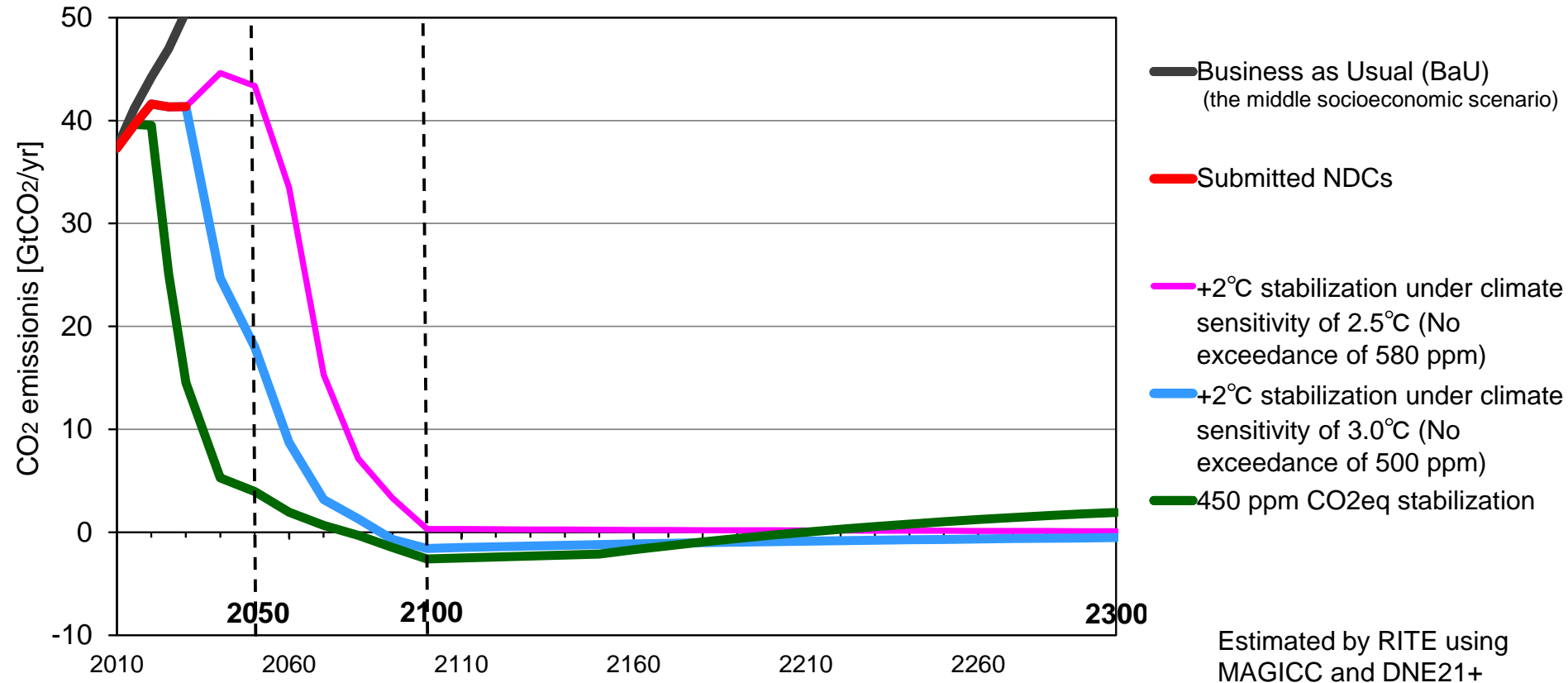
Social Cost of Carbon (SCC)



Source) Interagency working group on social cost of carbon, 2016

- Social cost of carbon is the marginal damage costs of CO₂ emissions.
- The estimation methods are very debatable, and the estimated distributions of the damage costs vary widely depending on the assessment models, climate sensitivity, discount rate etc. Therefore, it is not easy to determine the optimal temperature level.

Global CO₂ emission profiles toward 2300 for the 2 °C targets

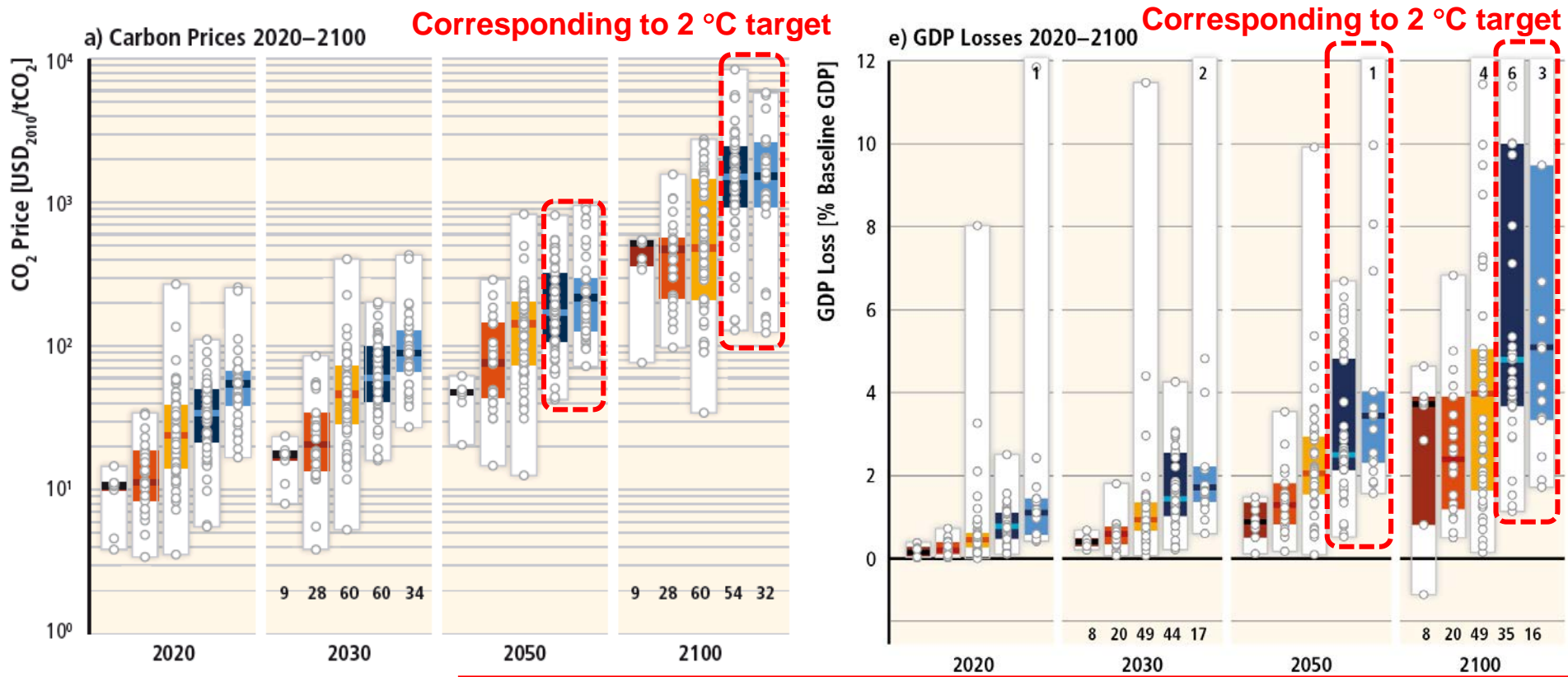


- The global CO₂ emissions should be nearly zero for a long period of time in the far future in any pathway to achieve temperature stabilization.
- On the other hand, the allowable global CO₂ emissions toward the middle of this century have a wide range according to the uncertainties in climate sensitivity (or achieving probability) even when the temperature target level is determined as a 2 °C. We should use this flexibility to develop several kinds of innovative technologies and societies.

2. Mitigation costs – the gaps between the ideal mitigation costs and real costs



Huge costs are estimated for achieving the 2 °C target



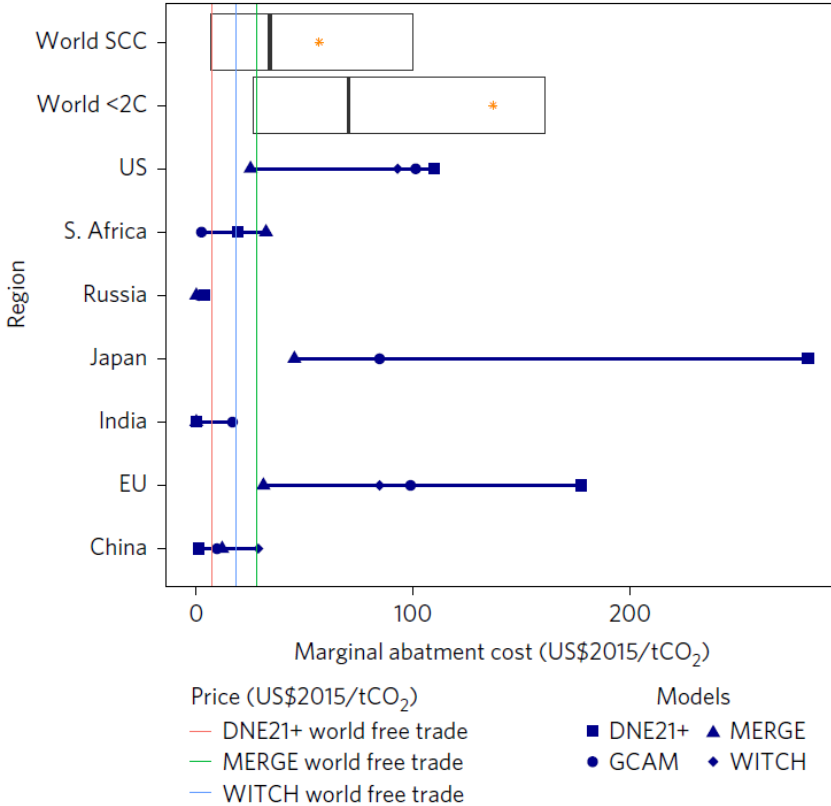
- According to the IPCC AR5, the CO₂ marginal abatement costs (carbon prices) for the 430-530 ppm CO₂eq (which are consistent with the 2 °C target) are about 1000-3000 \$/tCO₂ (25-75 percentile) and 150-8000 \$/tCO₂ (full range) in 2100.

- About 25% of the analyzed scenarios estimate global GDP losses of over 10%.

- The feasibility of such scenarios should be carefully examined in terms of various constraints in the real world.

Source) IPCC WG3 AR5

CO2 marginal abatement costs of the NDCs



Source: J. Aldy et al., Nature Climate Change, 2016

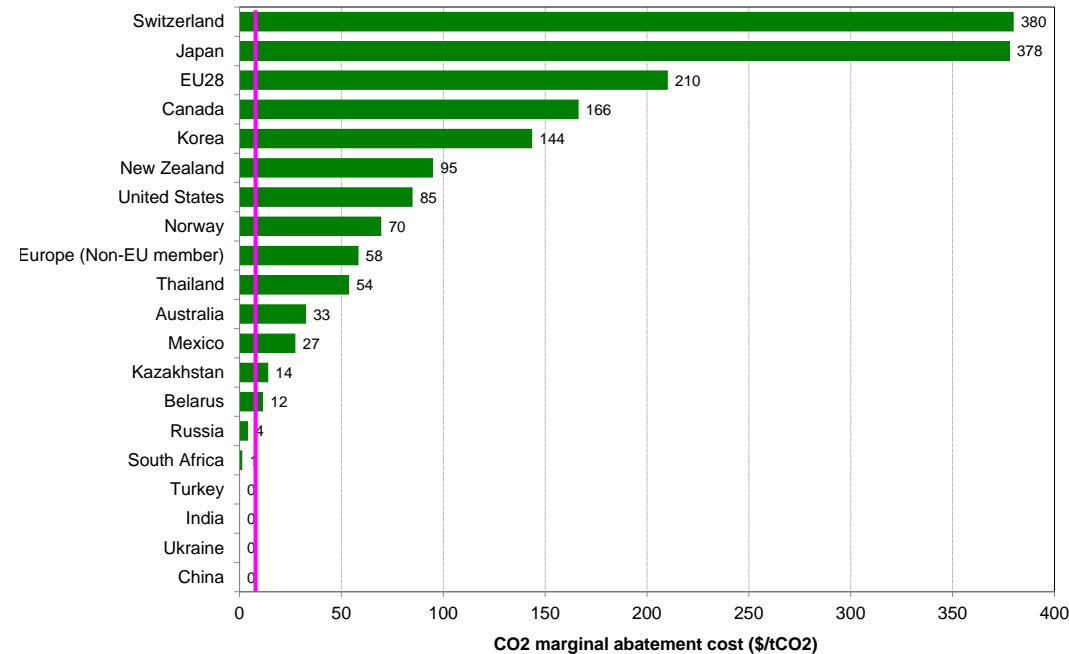
Average of 2025-2030

2030 (2025 for the U.S.)

[World GDP loss due to mitigation]

NDCs: 0.38%; the global least cost: 0.06%

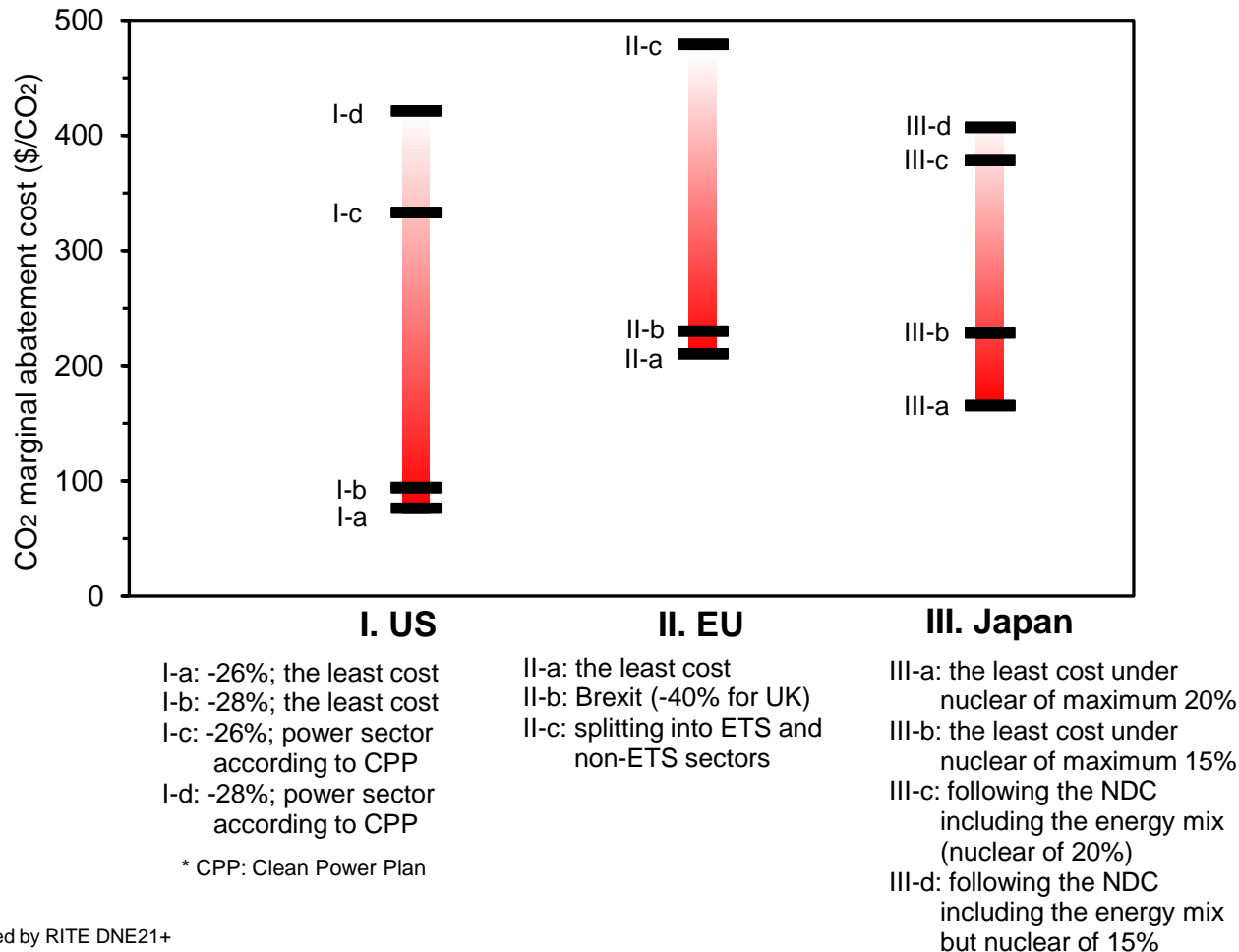
The least cost (equal marginal abatement costs): 6\$/tCO₂



Source: K. Akimoto et al., Evol. Inst. Econ. Rev., 2016

- The estimated marginal abatement costs of NDCs are largely different among countries, and the mitigation costs are much larger than those under the least cost measures due to such large regional differences in marginal abatement costs.

CO₂ marginal abatement cost for the U.S, EU and Japan considering several kinds of policy constraints



Source: estimated by RITE DNE21+

- It is not easy to achieve the least cost measures because there are various kinds of social and political constraints in each nation.
- The mitigation costs constrained by other policies can be much higher than those under the least cost measures.

3. Climate change mitigation measures under different socioeconomic conditions



Overview of Shared Socioeconomic Pathways (SSPs)

Socio-economic
challenges for mitigation

★ **SSP 5:**
(Mit. Challenges Dominate)
Fossil-fueled
Development
Taking the Highway

★ **SSP 3:**
(High Challenges)
Regional Rivalry
A Rocky Road

★ **SSP 2:**
(Intermediate Challenges)
Middle of the Road

★ **SSP 1:**
(Low Challenges)
Sustainability
Taking the Green Road

★ **SSP 4:**
(Adapt. Challenges Dominate)
Inequality
A Road Divided

Socio-economic challenges
for adaptation

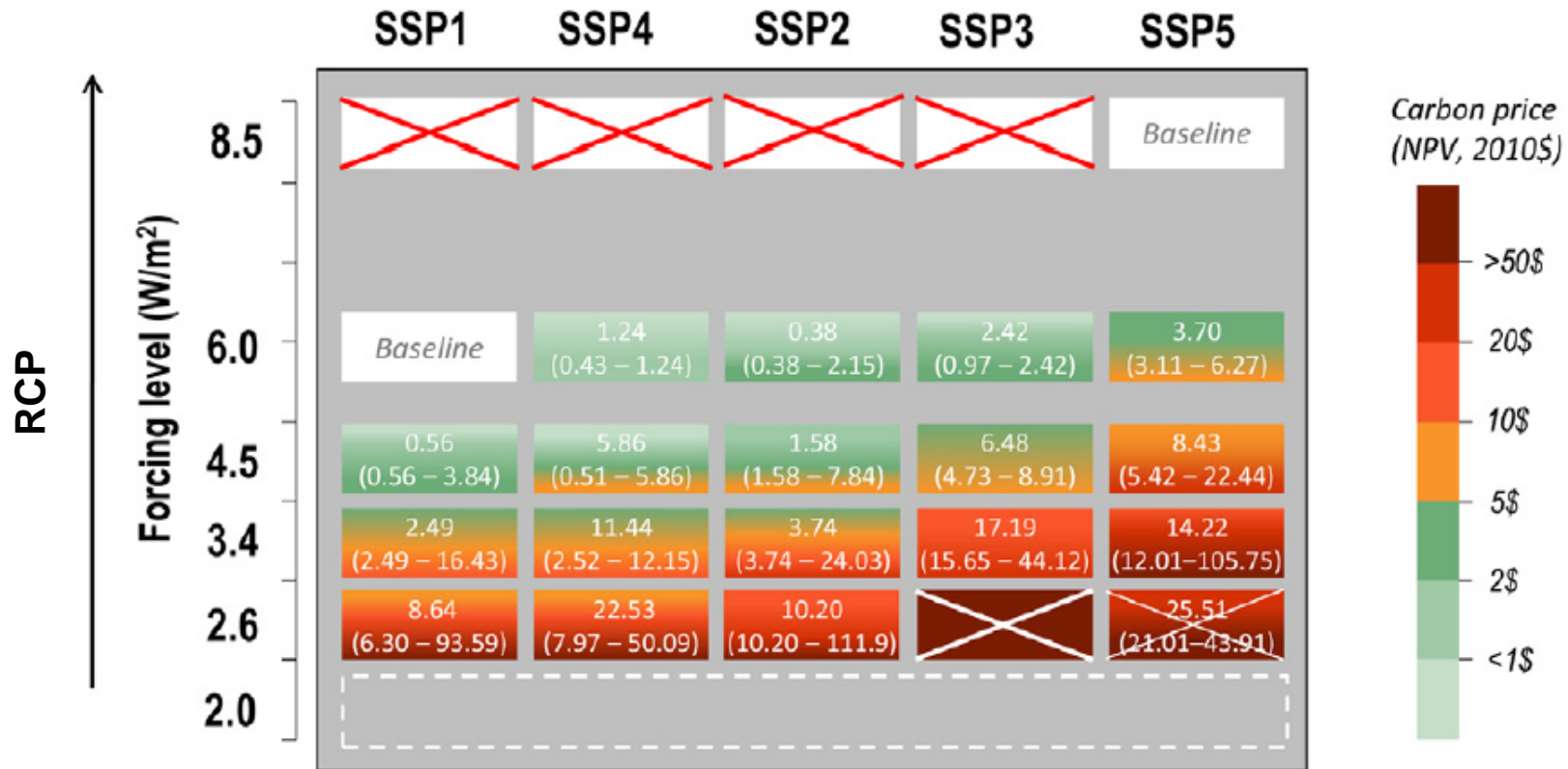
Fossil fuel price: low;
Fossil fuel resources: high;
GDP: very high

Tech. improve: low;
Population: low;
GDP: low

Tech. improve.: high;
Public acceptability of
large-scale tech.: low;
Population: low;
GDP: high

Governance: low;
Price distribution of
fossil fuel energy prices
among countries: big

Relationship between SSPs and RCPs



Note 1) 2.6 W/m² corresponds to below 2 °C in 2100 with >66% achieving probability; 3.4 W/m² corresponds to below 2 °C in 2100 with >50% probability, and 4.5 W/m² corresponds to below about 2.5 °C with >50% probability.

Note 2) Carbon prices are shown as the converted values in 2010 by employing 5%/yr of discount rate. The carbon price of 20 \$/tCO₂ as the 2010 value corresponds to about 1800 \$/tCO₂ for 2100.

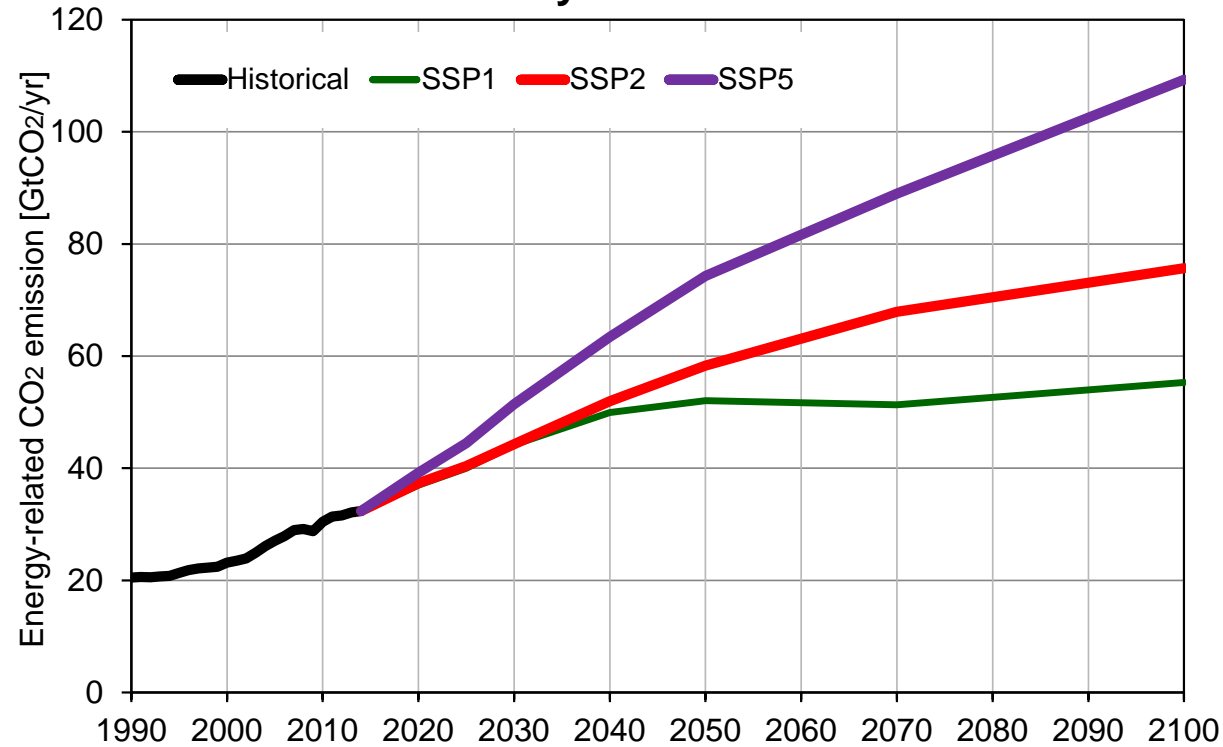
Energy Assessment Model: DNE21+

- ◆ Linear programming model (minimizing world energy system cost)
- ◆ Evaluation time period: 2000-2100
Representative time points: 2000, 2005, 2010, 2015, 2020, 2025, 2030, 2040, 2050, 2070, 2100
- ◆ World divided into 54 regions
Large area countries are further divided into 3-8 regions, and the world is divided into 77 regions.
- ◆ Bottom-up modeling for technologies both in energy supply and demand sides (about 300 specific technologies are modeled.)
- ◆ Primary energy: coal, oil, natural gas, hydro&geothermal, wind, photovoltaics, biomass and nuclear power
- ◆ Electricity demand and supply are formulated for 4 time periods: instantaneous peak, peak, intermediate and off-peak periods
- ◆ Interregional trade: coal, crude oil, natural gas, syn. oil, ethanol, hydrogen, electricity and CO₂
- ◆ Existing facility vintages are explicitly modeled.

- The model has regional and technological information detailed enough to analyze sectoral measures. Consistent analyses among regions and sectors are obtained.

Global CO2 emissions in Baseline

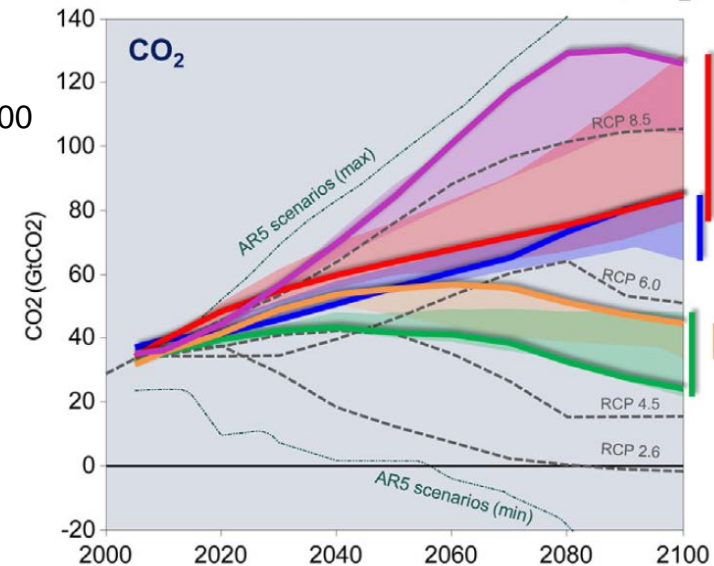
Estimated by RITE DNE21+ model



- Baseline emissions are very different depending on the future socioeconomic conditions including technology improvements.

Estimated by other research institutes

K.Riahi et al., Global Environmental Change (2017)



Marginal CO2 abatement costs (Carbon prices) for the 2 °C target

SSP: "Shared Socioeconomic Pathways"						
	SSP2 (Middle of the Road)			SSP1 (Sustainability)		
	+2°C stab. under climate sensitivity of 2.5°C	+2°C stab. under climate sensitivity of 3.0°C	450 ppm CO2eq stab. (climate sensitivity of 3.4°C)	+2°C stab. under climate sensitivity of 2.5°C	+2°C stab. under climate sensitivity of 3.0°C	450 ppm CO2eq stab. (climate sensitivity of 3.4°C)
2050	12	135	604	14	117	518
2100	408	427	457	134	140	143

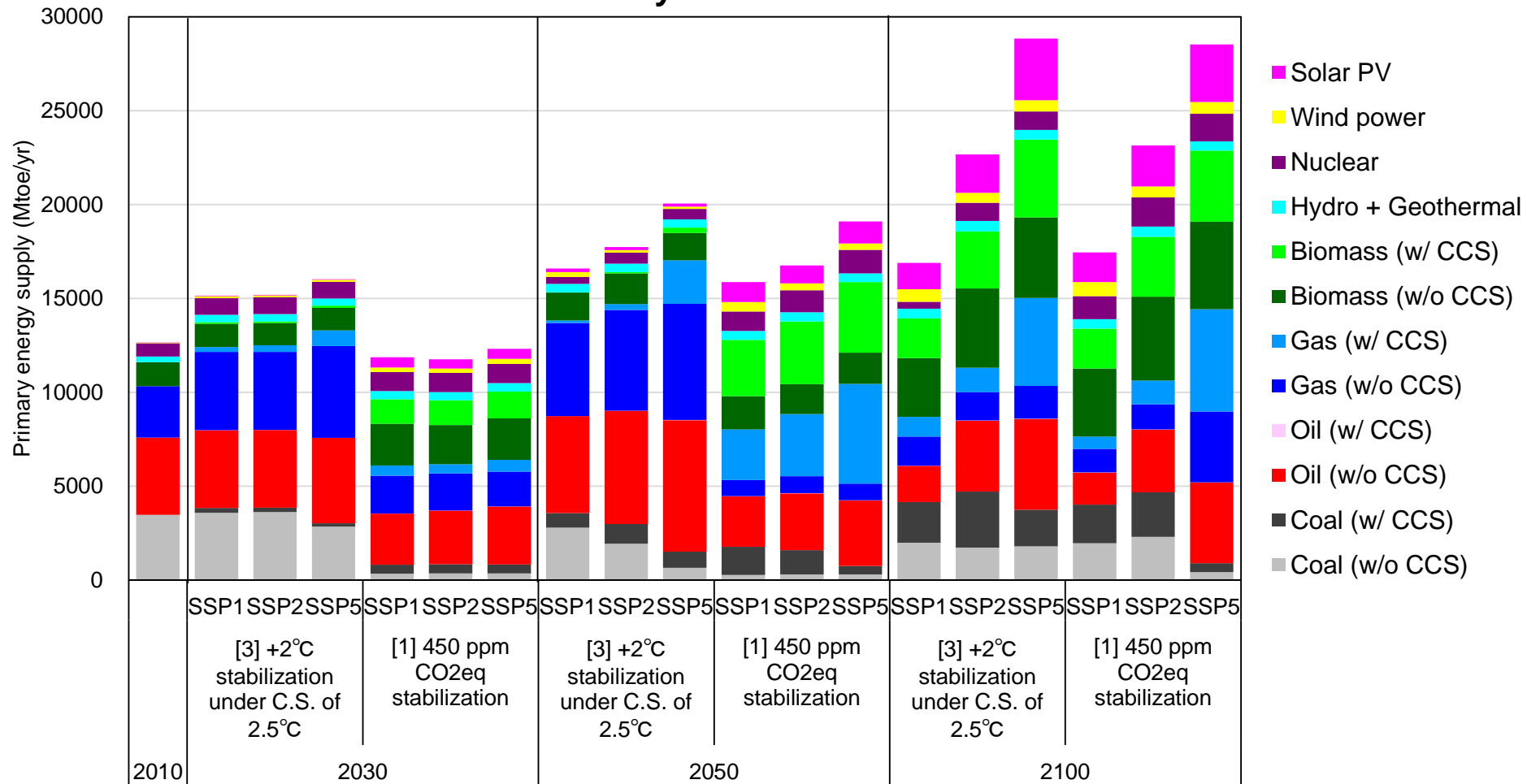
Unit: \$/tCO2 (real price); Uniform carbon prices among all nations are assumed.

Source) estimated by RITE DNE21+

- **The marginal abatement costs (carbon prices) for the 2 °C target were huge even under the global least cost measures (uniform carbon prices) except in the case of low climate sensitivity (2.5 °C) and by 2050.**
- **The carbon price in SSP1 that energy demands in the end-use sectors are much smaller than in SSP2 is much lower than that in SSP2.**
- **Technological and social innovations are definitely required for the 2 °C target to be achieved in harmony with other SDGs. (Newly emerging technologies such as AI, IoT etc. will induce social changes which may lower the energy demand.)**

Global primary energy supply

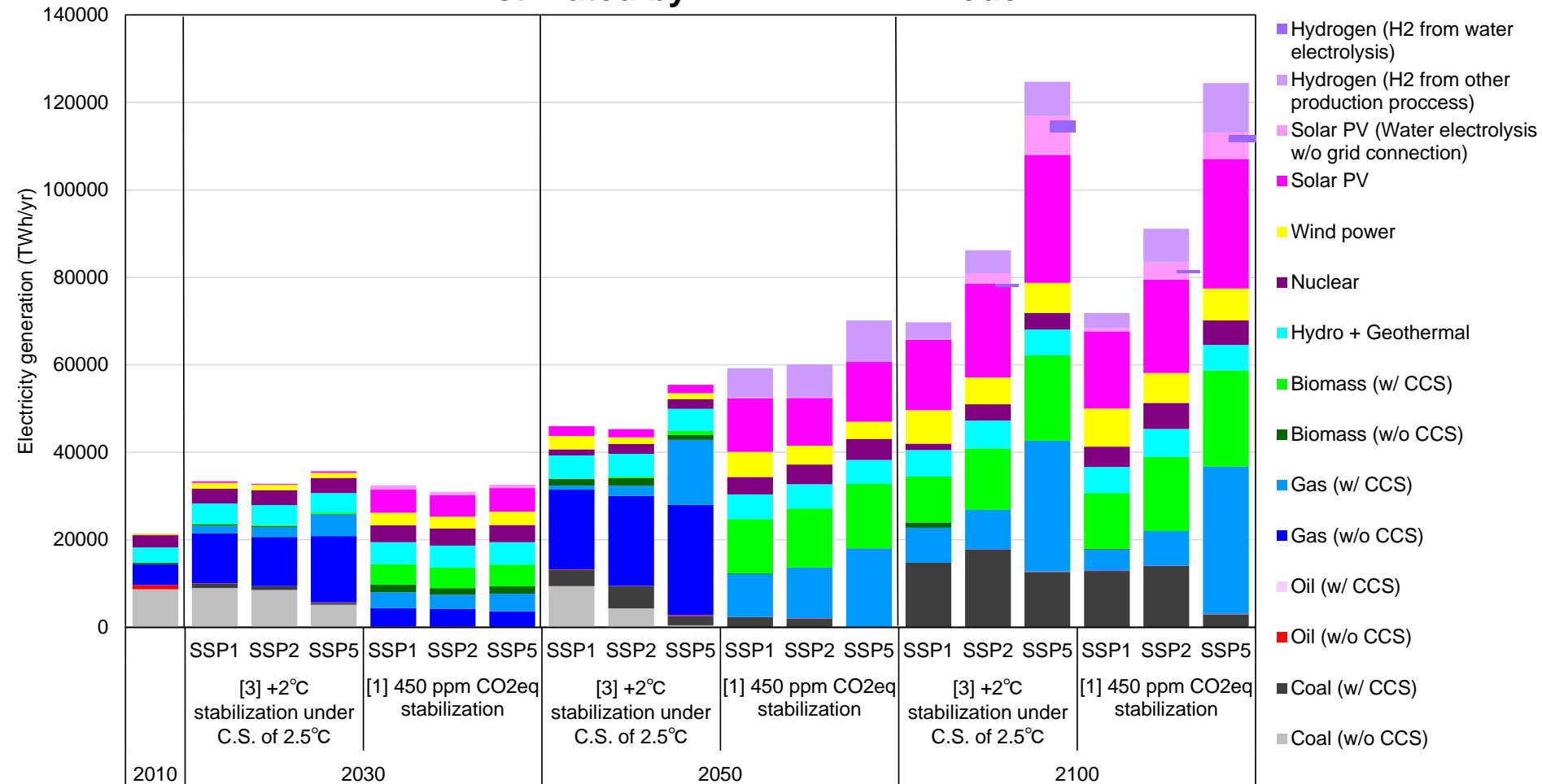
Estimated by RITE DNE21+ model



- The energy supply is very different in 2050 according to the uncertainty in the climate sensitivity and different socioeconomic scenarios.
- The total amount of energy supply in the SSP1 world is much smaller than that in the SSP2 and SSP5.

Global electricity generation

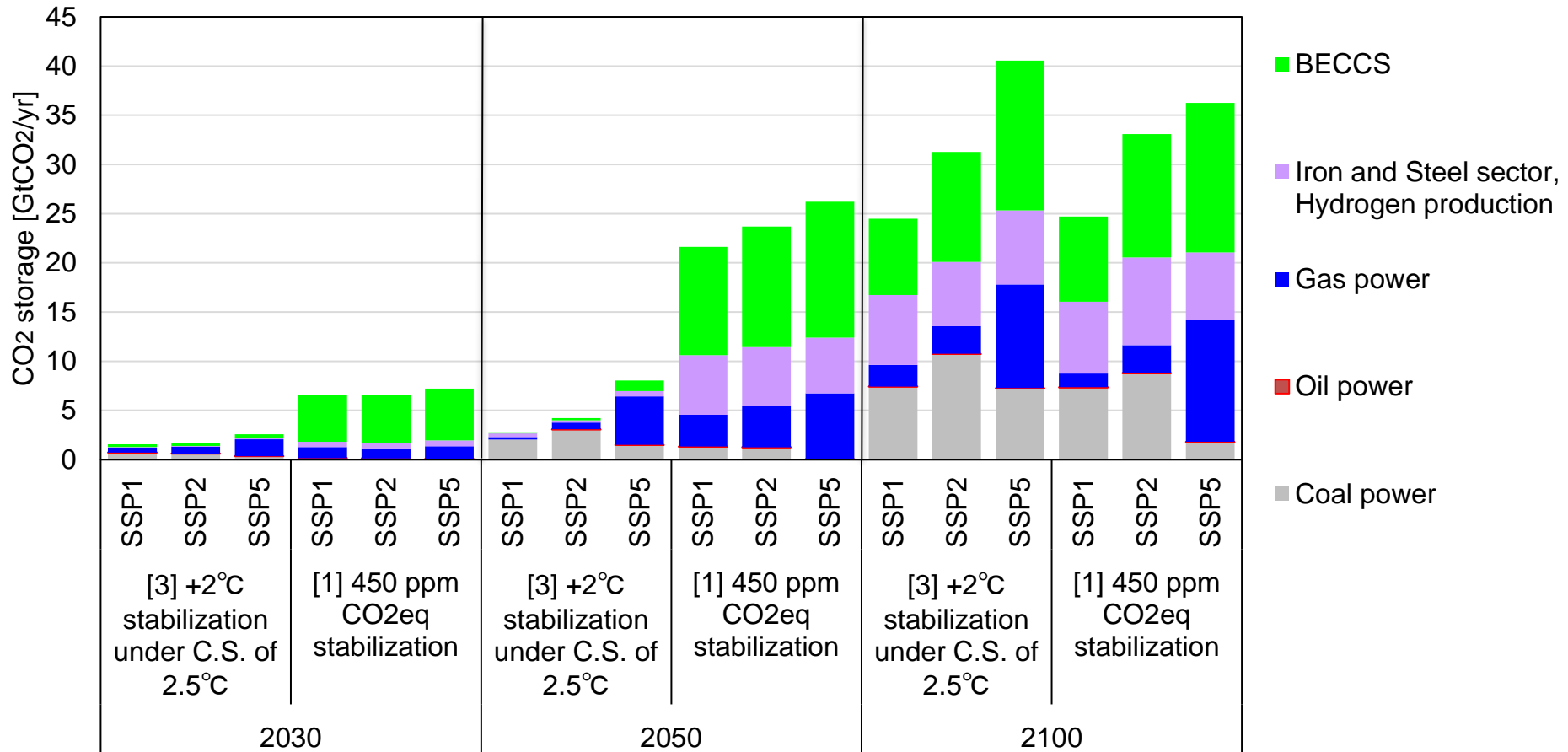
Estimated by RITE DNE21+ model



- CO2 emissions from power sector in most of the scenarios for the 2 °C target are nearly zero or negative after the second half of this century.
- The total amounts of electricity for the 2 °C target will increase with deeper emission reductions due to substitution for fossil fuel use in other sectors.

Global CO₂ capture and storage (CCS)

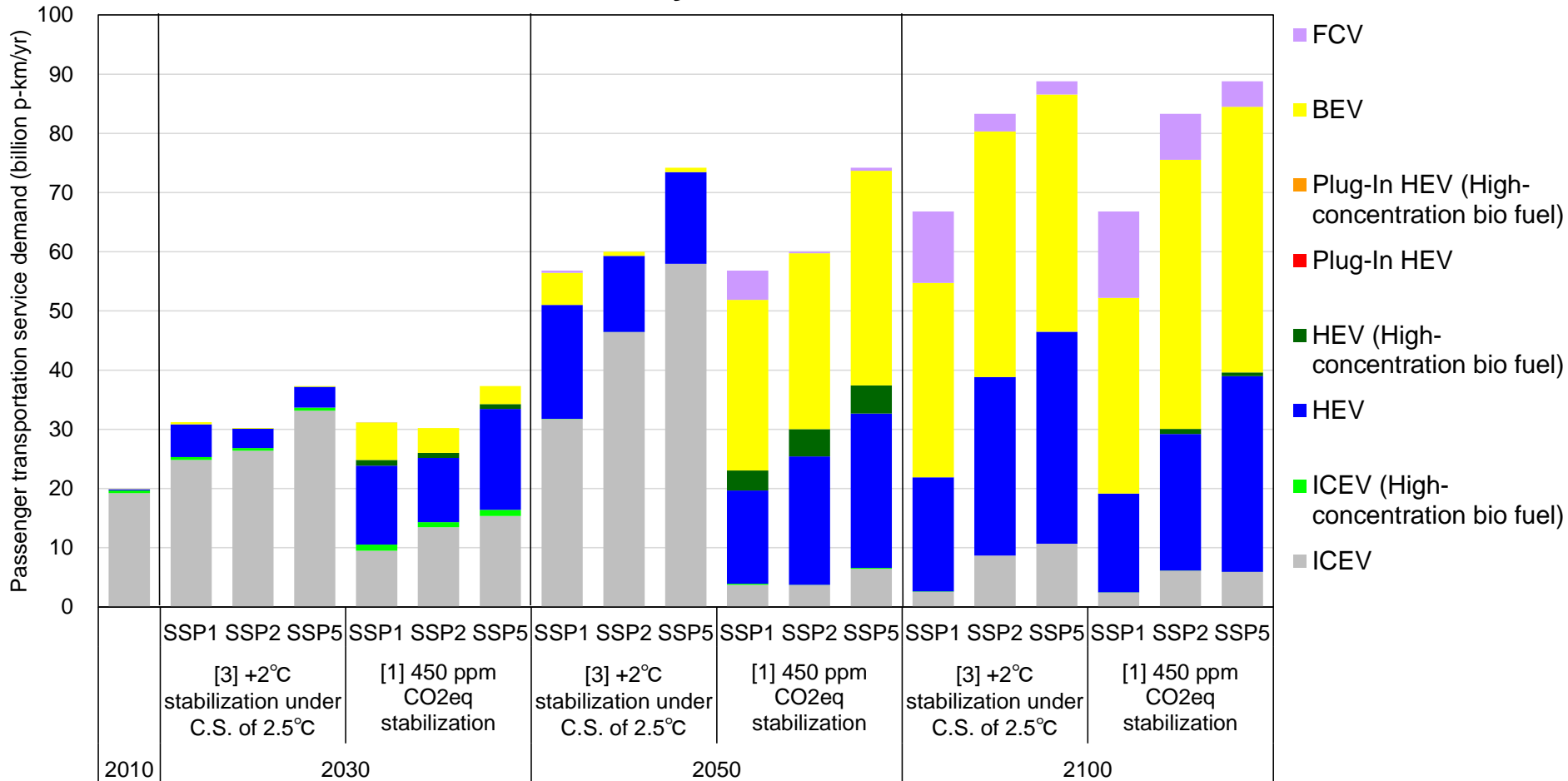
Estimated by RITE DNE21+ model



- The total amount of CCS is also very different in 2050 according to the uncertainty in the climate sensitivity and different socioeconomic scenarios.
- In 2100, large amounts of CCS including BECCS are required for all of the emission pathways for 2 °C target.

Global transportation (automobile)

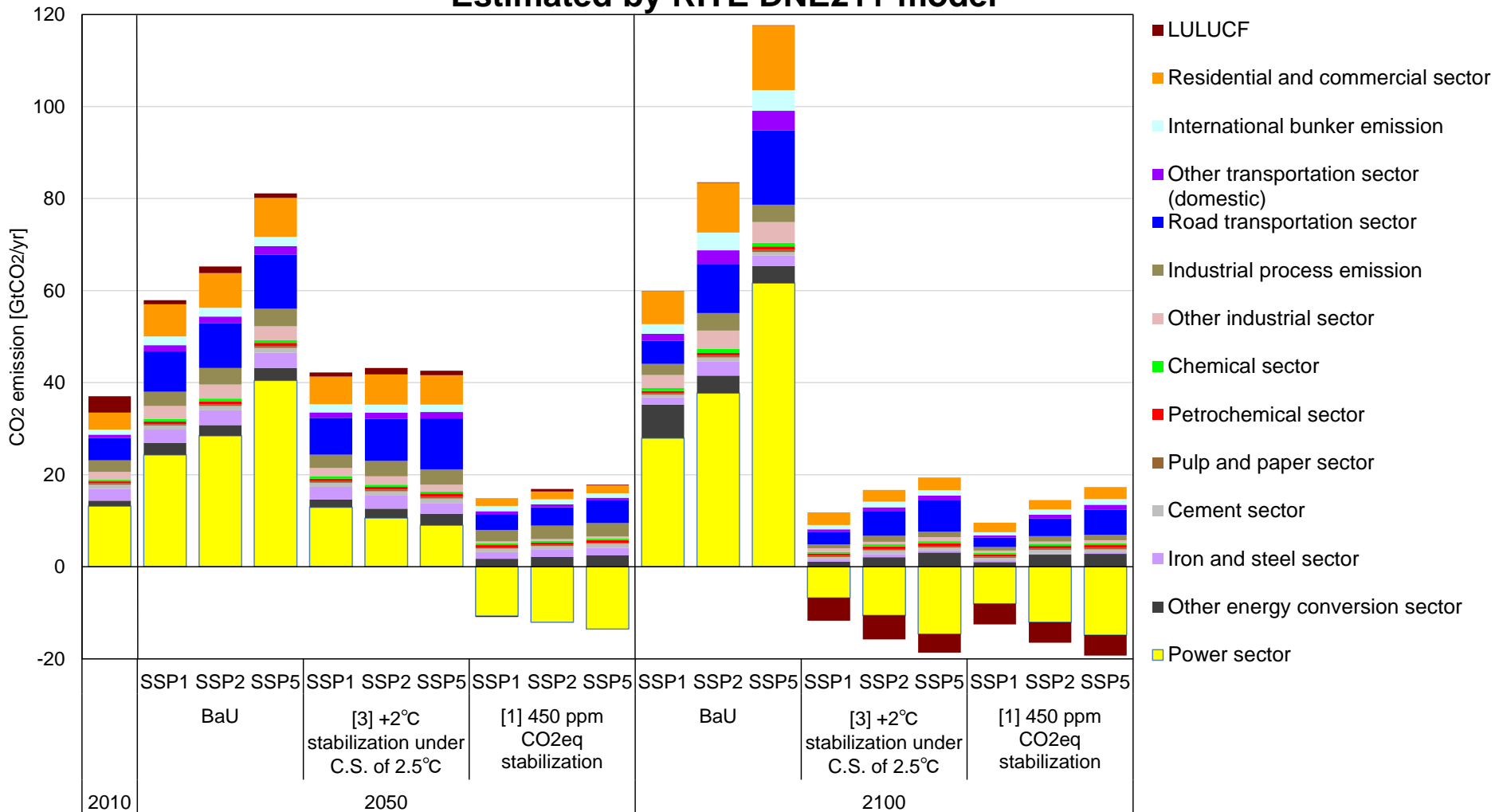
Estimated by RITE DNE21+ model



- The technology options in automobile are also very different in 2050 according to the uncertainty in the climate sensitivity and different socioeconomic scenarios.
- In 2100, large shares of EVs and FCVs are required as well as HVs are required for all of the emission pathways for 2 °C target.

Global CO₂ emissions by sector

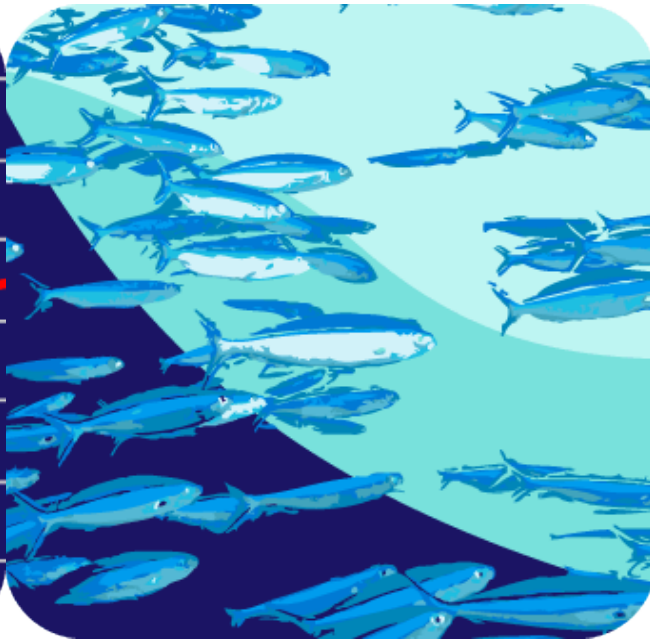
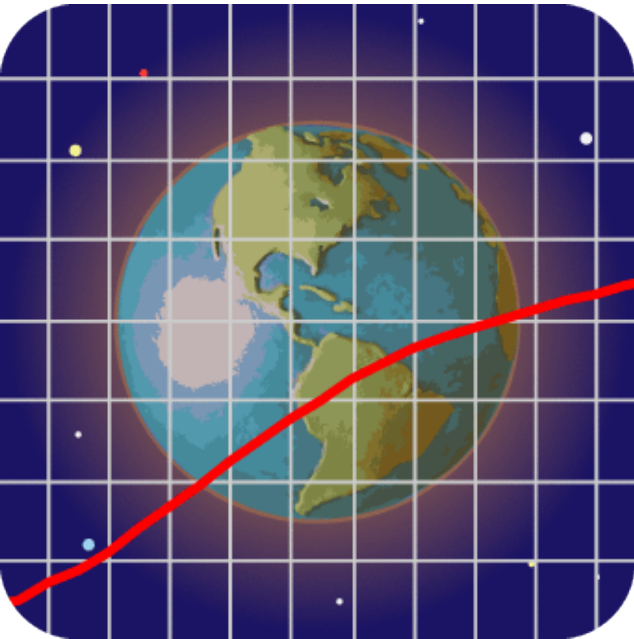
Estimated by RITE DNE21+ model



- In order to achieve zero CO₂ emissions, negative emissions in power sector by BECCS and large-scale of afforestation are required.

- Low energy demand scenario such as SSP1 will reduce the requirements of BECCS.

4. Co-benefits and trade-offs between climate change and other sustainable development goals



Harmonization among climate change issues and other SDGs needed

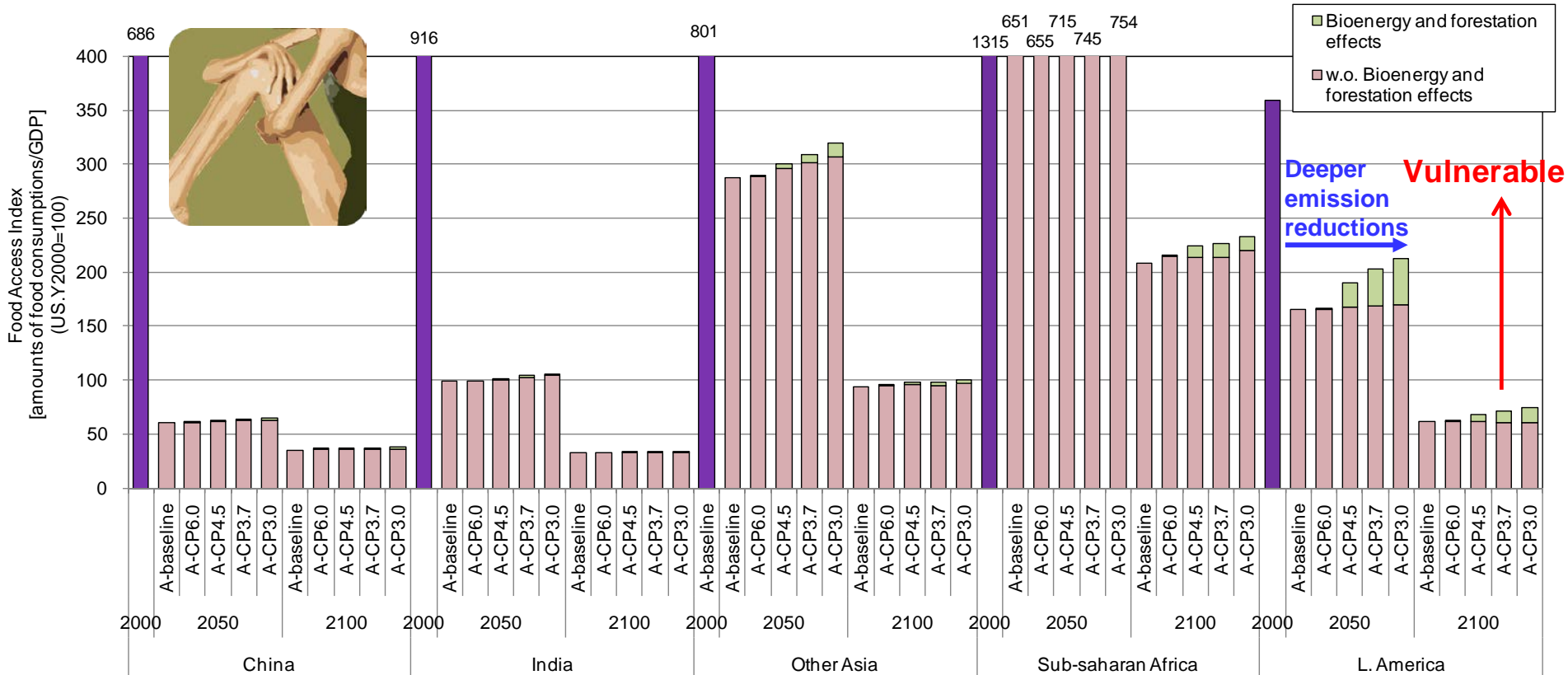
SUSTAINABLE DEVELOPMENT GOALS

17 GOALS TO TRANSFORM OUR WORLD



- We have multiple agendas to be tackled. Harmonization among climate change issues and other SDGs are necessary.

Food access index (Amounts of food consumption / GDP)

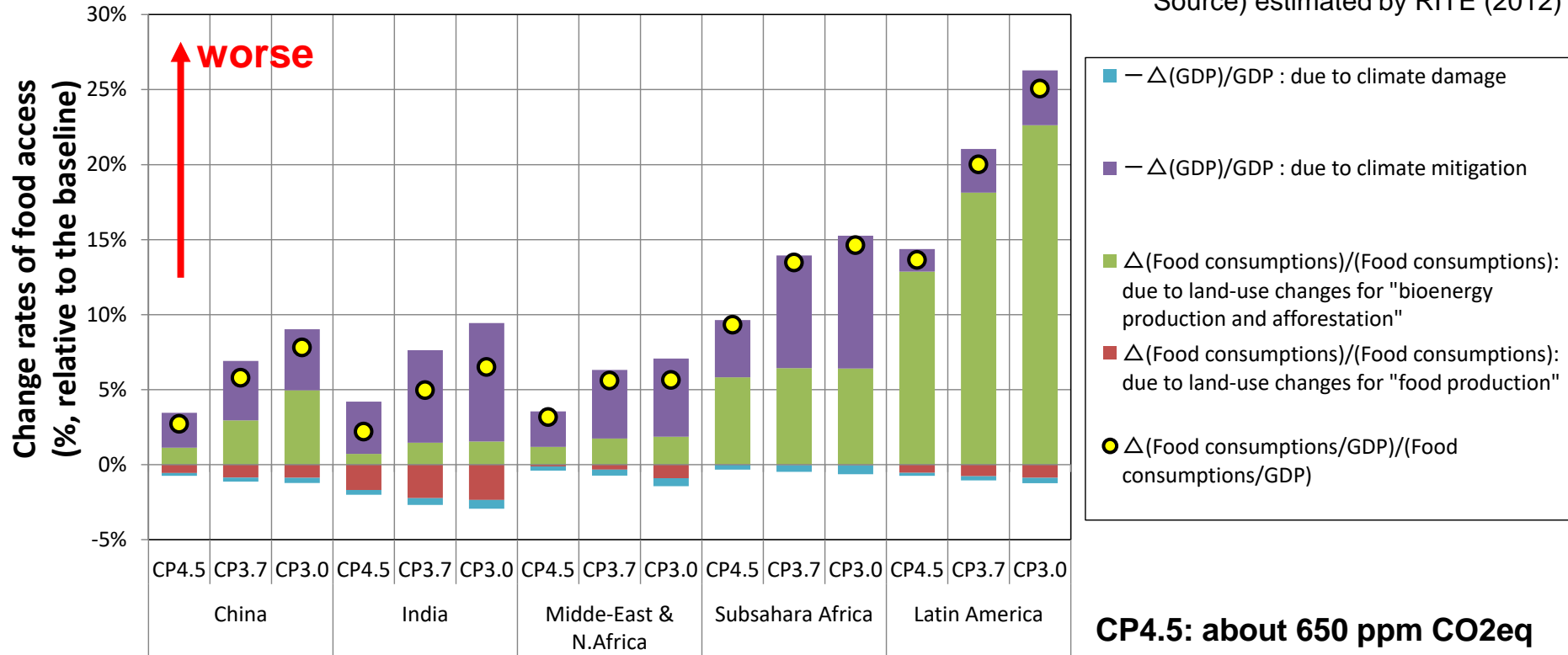


Source) K. Akimoto et al., Natural Resources Forum, 36(4), 231-244, 2012

- Vulnerabilities of food access will decrease in most countries and regions in the long-term under any emission scenarios, because future incomes are expected to increase.
- Large-scale forestation and bioenergy use slightly increase vulnerabilities of food access.

Food access index (amounts of food consumption/GDP) in 2050 by factor

Source) estimated by RITE (2012)

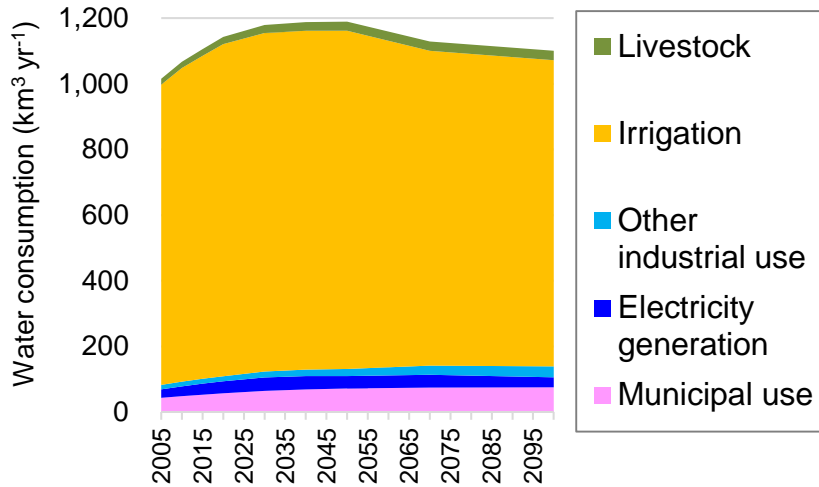


CP4.5: about 650 ppm CO₂eq
 CP3.7: about 550 ppm CO₂eq
 CP3.0: about 450 ppm CO₂eq

- Factor decomposition shows that climate change mitigation brings about small positive impacts on the food access index in certain aspects, but worsens the index in total.

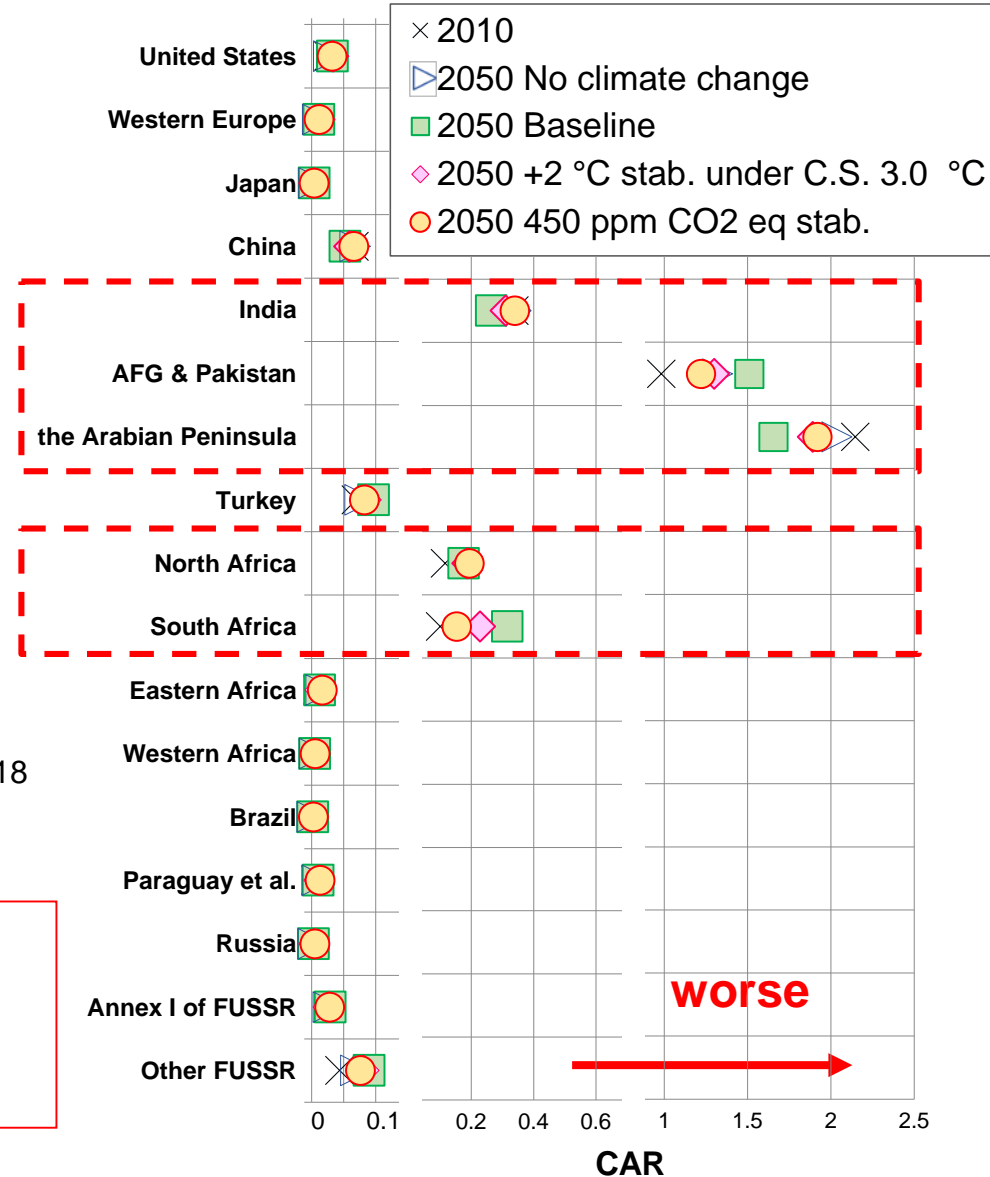
Water consumption

No climate change case



Irrigation is a major consumption.

Consumption-to-availability ratio



worse

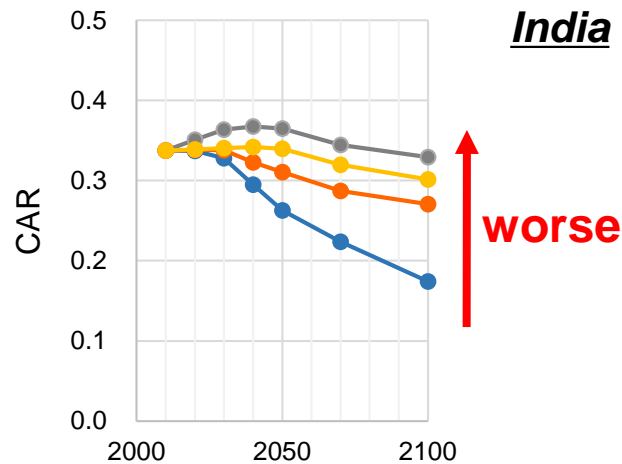
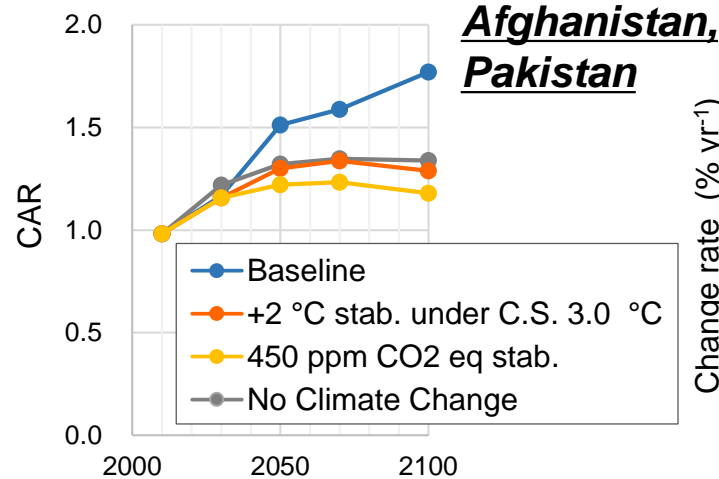
CAR

Source) A. Hayashi et al., Mitig Adapt Strateg Glob Change, 2018

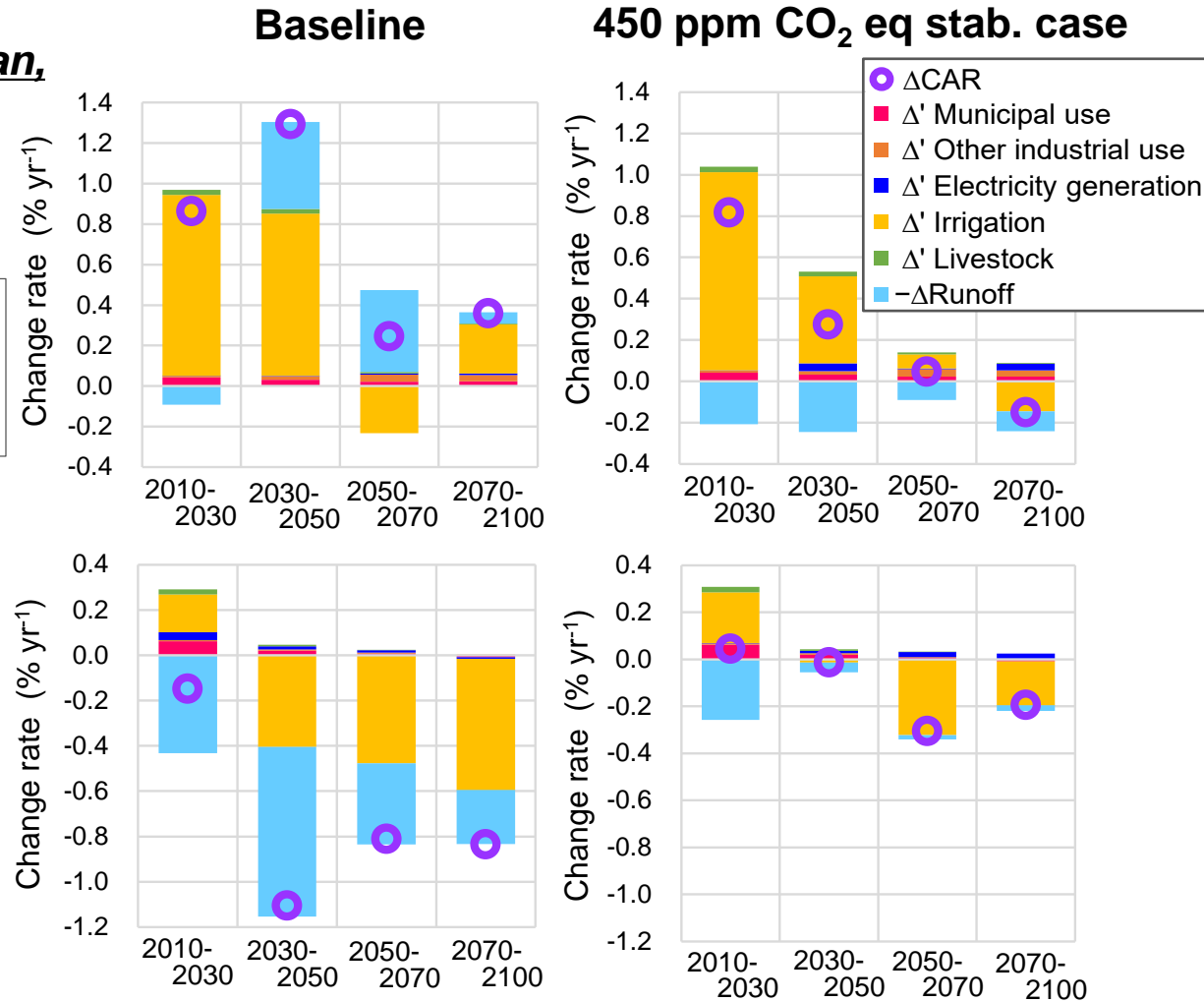
- There are no large impacts of climate change and the mitigation on water consumption-to-availability ratio (CAR) in most regions/countries in total.

Climate Change Mitigation & Water Access (2/2)

Consumption-to-availability ratio (CAR)



Change rates of CAR and the factors



Source) A. Hayashi et al., Mitig Adapt Strateg Glob Change, 2018

- Deep emission reductions will worsen the consumption-to-availability ratio (CAR) in some regions through increase in water use for BECCS etc., but the impacts are small.

5. Innovations and emission pathways



5th Science and Technology Basic Plan of Japan - “Society 5.0” (“Super Smart Society”) -

What is Society5.0?

It is a society that can be expected to **facilitate human prosperity**. Such a society is capable of providing the necessary goods and services to the people who need them at the required time and in just the right amount; a society that is able to respond precisely to a wide variety of social needs; a society in which all kinds of people can readily obtain high-quality services, overcome differences of age, gender, region, and language, and live vigorous and comfortable lives.



Source) Japanese Government



Source) Gendai Business
"http://gendai.ismedia.jp/articles/-/50859"



- Wide range of technological innovations and their integrations are required for improving our welfare and sustainable development.
- AI, IoT, big data etc. will be able to stimulate such innovations.

AI + IoT + big data +

Operation ratio of automobiles is about 4%, for example. The large room for the improvement exists.

Potential Socioeconomic Impacts of technology improvements of AI, IoT etc.

by RITE

Technology improvements of such as

- AI
- IoT
- ICT
- AI car
- AI robot
- Big data

Impacts on social life

Great improvements of:
- Sharing economy
- Teleworking
- E-commerce, Net shopping
etc.

Decrease in materialized products and energy demands
Decrease in passenger travels, but increase in freight?

Increase in materialized products and energy demands (large rebound effects)

Impacts on industry and employment

Several kinds of machineries with AI substitute for many human works, and productivity increase in almost all industries.

Decrease in energy demands?

Y
SSP1

N
SSP5

Good redistribution of income and work sharing

Y
SSP1

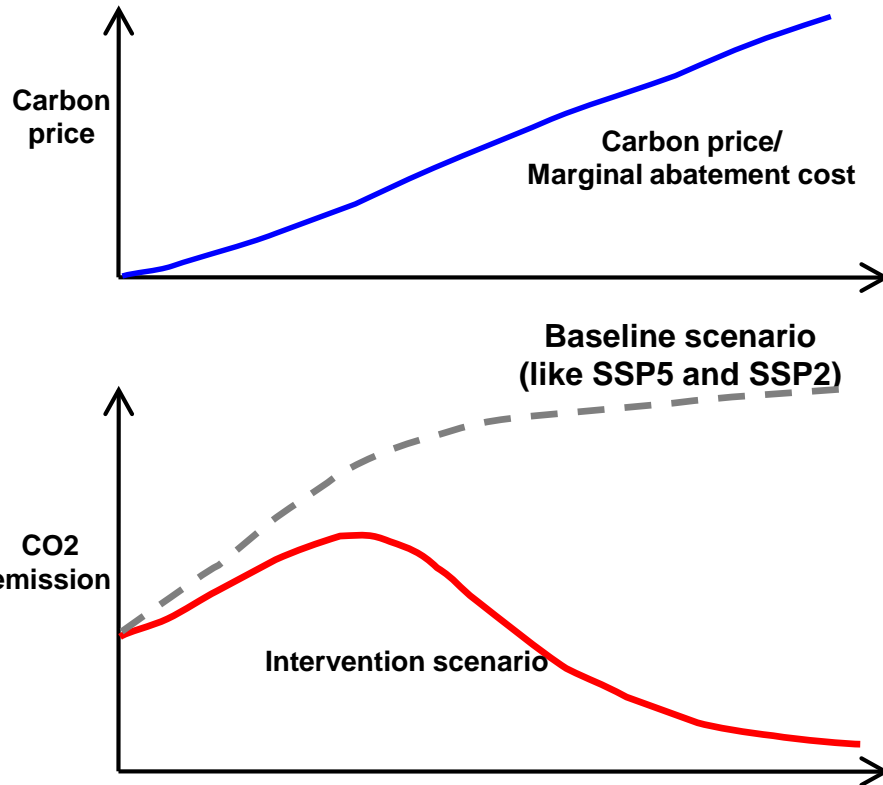
Increase in leisure time and rich life

N
SSP4

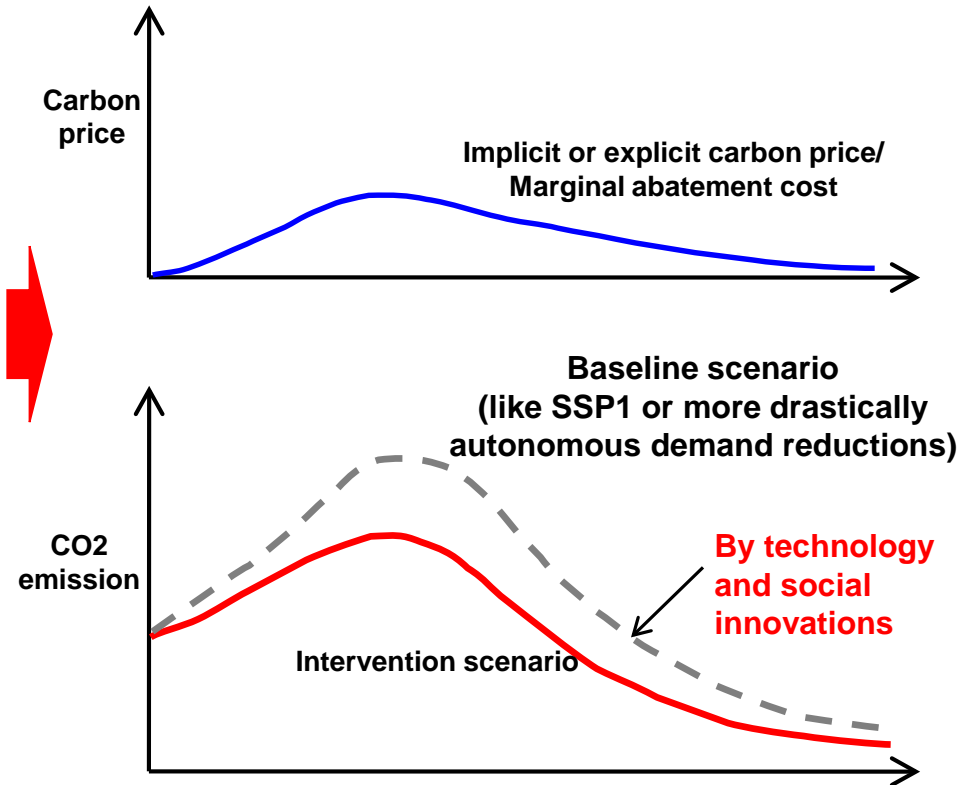
Increase in unemployment and classed society

Image of standard scenario by models and real world scenarios for deep cuts

Model world: Ordinary technology progress



Realistic world requirement: Innovations stimulated & implemented



Explicit high carbon prices such as over 100\$/tCO₂ in real price are infeasible in a real world. Technology and social innovations resulting in low (implicit or explicit) carbon prices (including coordination of secondary energy prices) are key for deep emission cuts to be implemented and for realizing sustainable development.

6. Conclusions

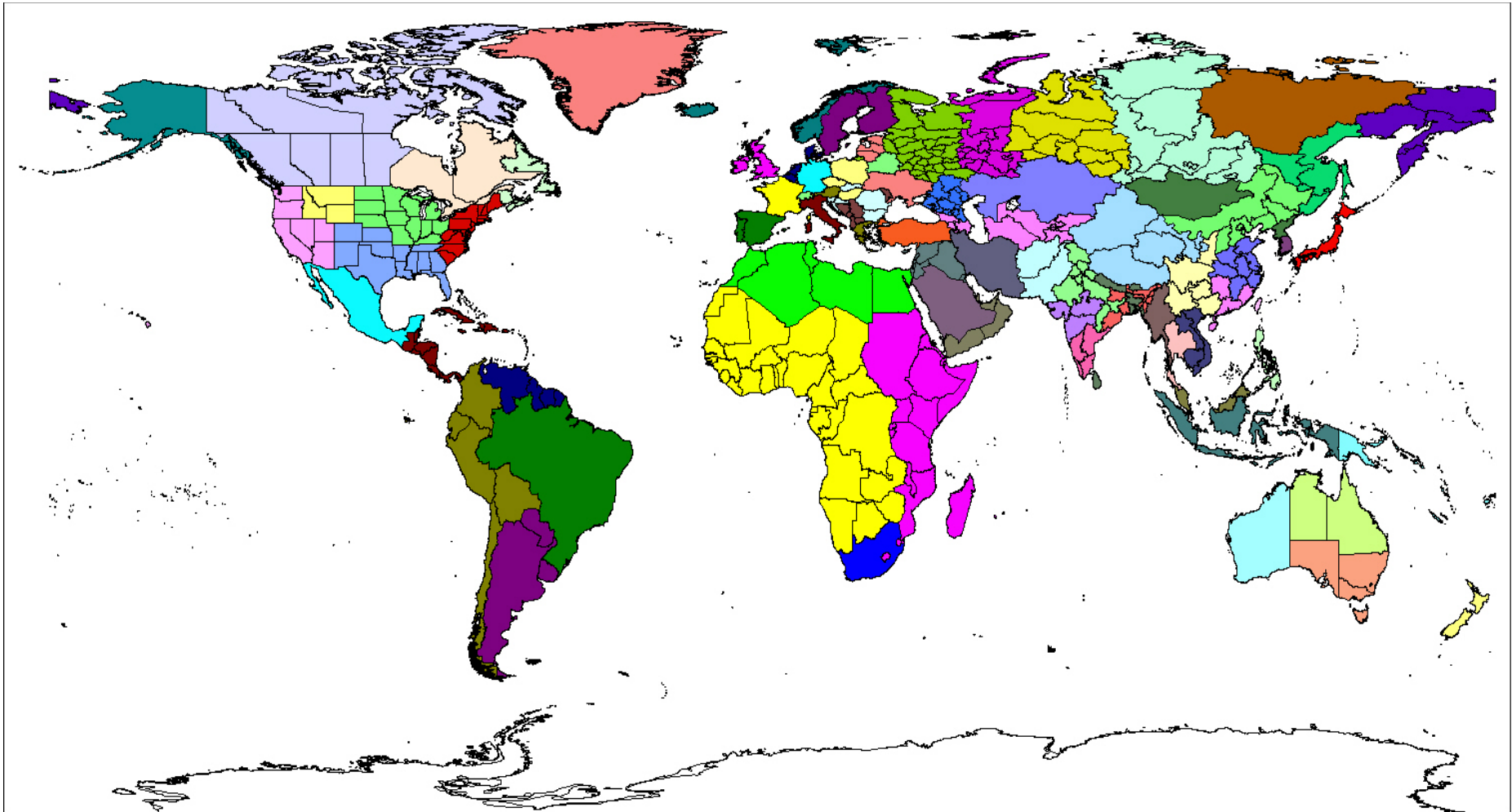


Conclusions

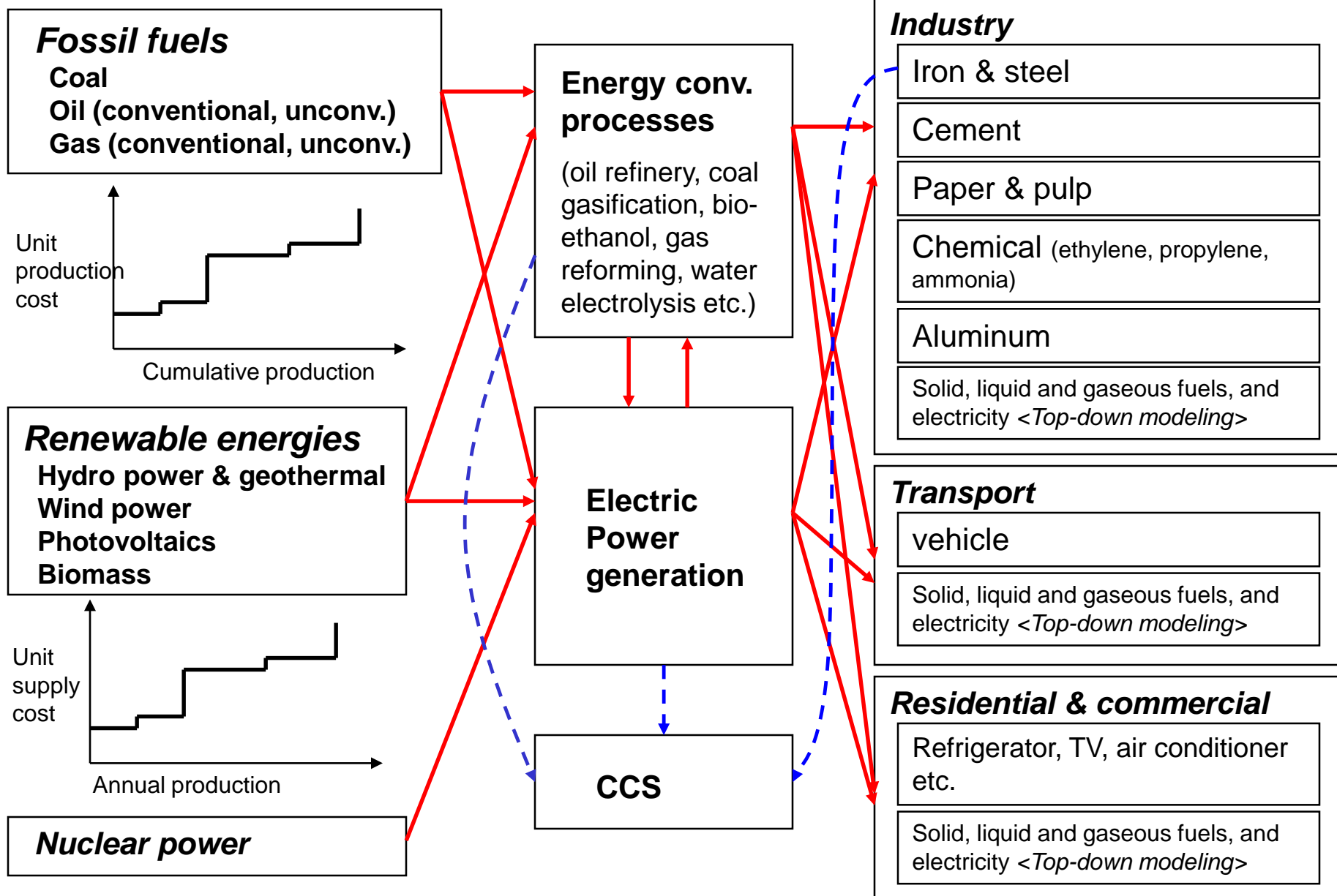
- ◆ **Nearly zero CO₂ emissions are required in the long-term.**
- ◆ **But there are lots of uncertainties, and we should recognize these uncertainties to manage the total risks in a better way.**
- ◆ **Potential increase in mitigation costs: political factors (large differences in MAC across nations, Trump Administration etc.), social constraints of technology deployment, inefficient policies etc.**
- ◆ **Potential decrease in mitigation costs (future unknown innovations)**
- ◆ **Pursuing co-benefits in line with several objectives of sustainable development. But some are trade-offs. Our resources are limited and total risk management is required.**
- ◆ **Innovations are almost prerequisite for achieving zero emissions. The demand side revolutions induced by IT, AI etc. will be highly expected as one of the innovations for reducing energy consumptions and toward deep emission reductions (but currently uncertain) .**
- ◆ **Paradoxically, the high carbon price world, which seems required reasonably for deep emission reductions, can never achieve deep emission reductions, but it is the low carbon price world that is capable to achieve them in the real world.**

Appendix

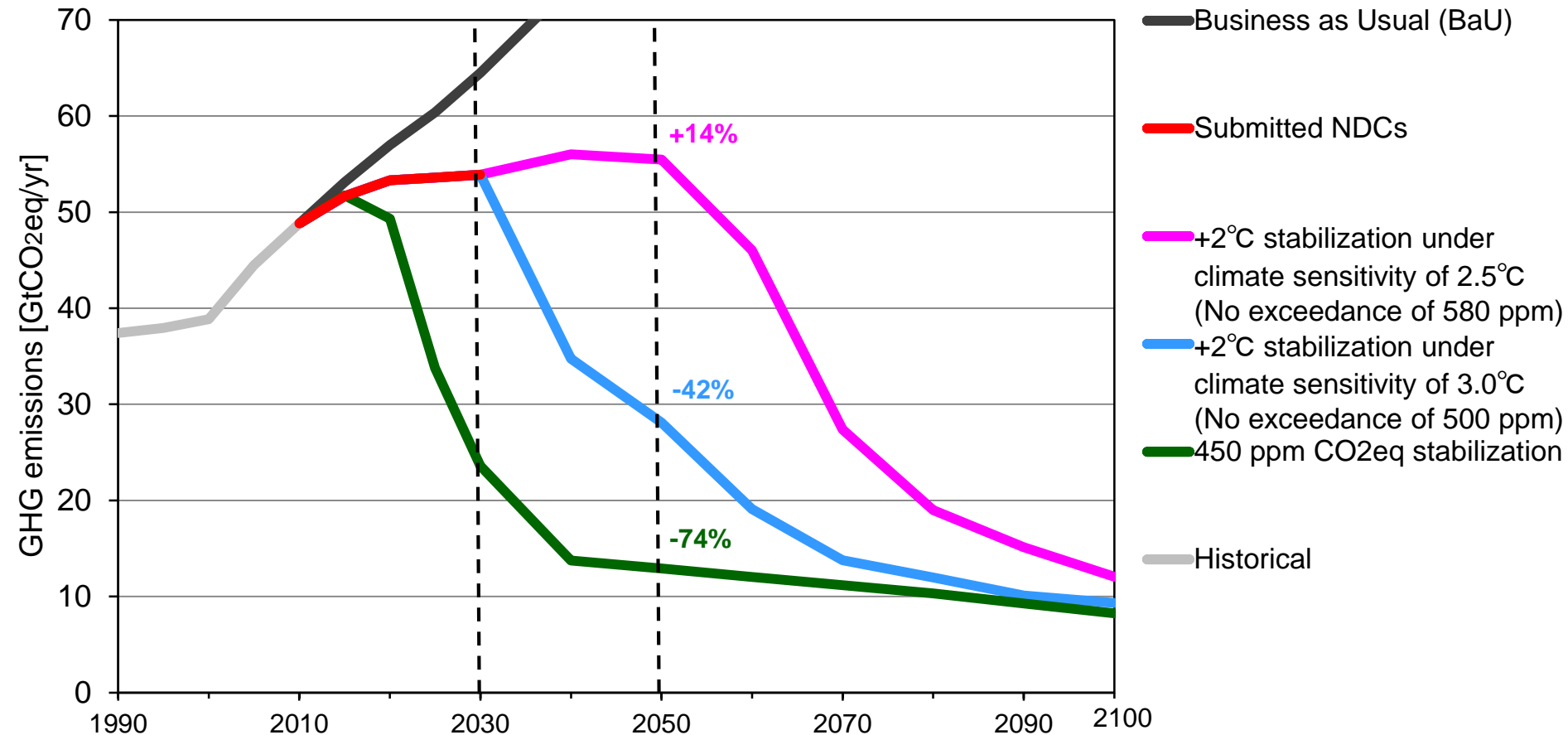
Region divisions of DNE21+



Technology Descriptions in DNE21+



Global GHG emission profiles toward 2100 for the 2 °C target



Estimated by RITE using MAGICC, DNE21+ and non-CO₂ GHG models

- The corresponding GHG emission trajectories for the 2 °C target vary widely particularly in 2050.
- There are large gaps between the expected emissions under the submitted NDCs and the 450 ppm CO₂eq pathway.

$$ESI = \frac{C_{oil}}{TPES} \sum_i \left(r_i \cdot S_{i,oil}^2 \right) + \frac{C_{gas}}{TPES} \sum_i \left(r_i \cdot S_{i,gas}^2 \right)$$

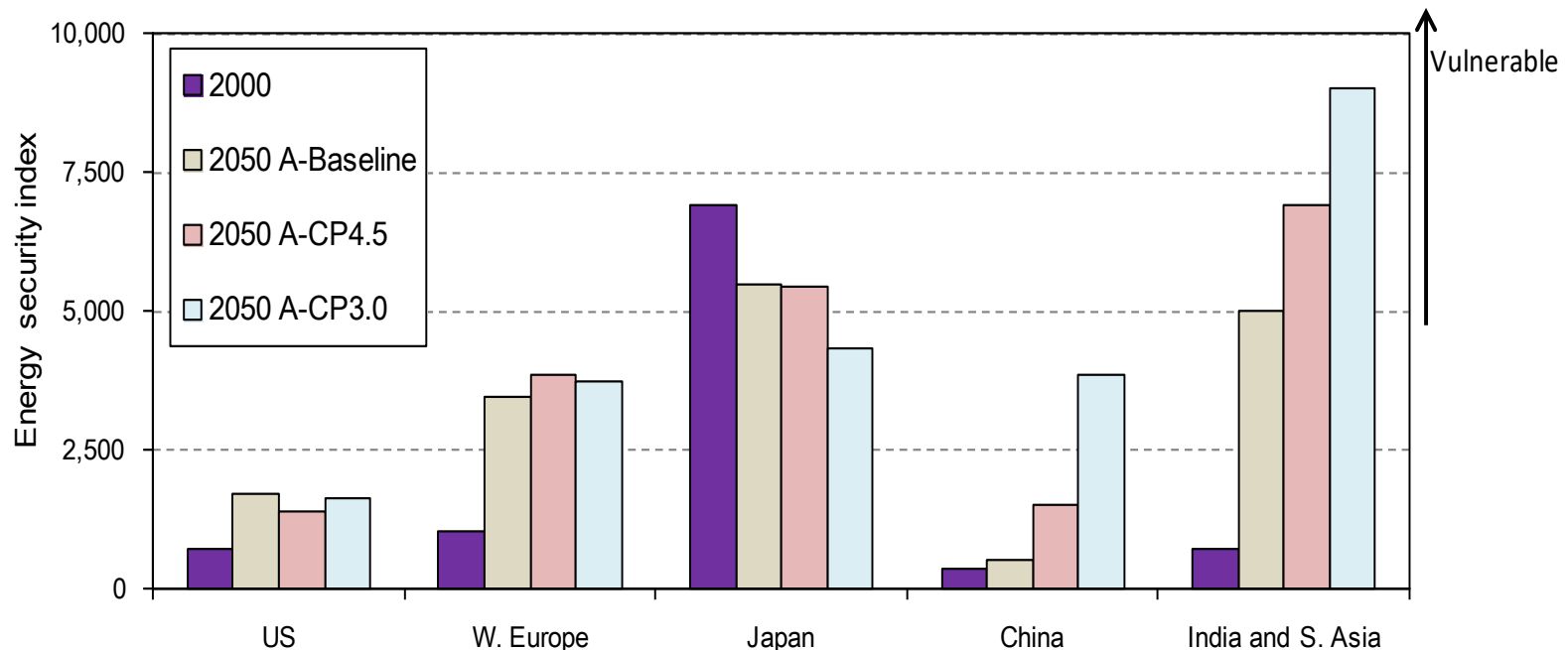
Share of imported oil in TPES

Political risks of region i

Dependence on region i

ESI : energy security index, TPES: total primary energy supply

Note: index based on IEA, 2007



Source) K. Akimoto et al., Natural Resources Forum, 36(4), 231-244, 2012

While the energy security index of Japan decreases (less vulnerable) for CP3.0 (synergy effects), those of China and India increase (more vulnerable) for deeper emission reductions due to increase in imported gas shares (adverse side effects).