



ClimateCost

The Full Cost of Climate Change

December 2008 to July 2011

European Commission, 7th Framework Programme

Co-ordinated by the Stockholm Environment Institute, Oxford, UK

ClimateCost objectives

The project will advance knowledge in three areas:

- > Long-term targets and mitigation policies.
- > Costs of inaction (the economic effects of climate change).
- > Costs and benefits of adaptation.

Why is ClimateCost important?

Although relatively detailed and comprehensive research has been carried out into climate change policy (principally for mitigation), there are many gaps in the assessment of the full costs of climate change. Using detailed disaggregated, bottom-up approaches, combined with top-down aggregated analysis, this project aims to provide a comprehensive and consistent analysis of the full costs of climate change.

It will provide information at Member State level across Europe, and at country level for China and India. The research has a strong policy focus, which aims to directly link to policy needs. The project encourages a cross-fertilisation of research and a transfer of information between researchers in Europe, the USA, China and India. This has the potential to greatly enhance the future discussion in this area and build international collaboration.

ClimateCost tasks

- 1 Identify and develop consistent scenarios for climate change and socio-economic development, including mitigation scenarios.
- 2 Quantify in physical terms, and value as economic costs, the effects of future climate change (the 'costs of inaction') under different scenarios for the EU and other major negotiator countries (China, India). This analysis will be at a disaggregated level, undertaken, where possible using spatial analysis (Geographic Information Systems, GIS). The analysis will include market and non-market sectors (coasts, health, ecosystems, energy, water and infrastructure). The analysis will also quantify and value the costs and 'benefits' of adaptation.
- 3 Assess the potential physical effects and economic costs of major catastrophic events and major socially contingent effects.
- 4 Update the mitigation costs of greenhouse gas (GHG) emissions reductions, consistent with medium- and long-term reduction targets/ stabilisation goals for the mitigation scenarios, including (induced) technological change, non-CO₂ GHG and sinks, and recent abatement technologies.
- 5 Quantify the ancillary air-quality co-benefits (in physical and economic terms) of mitigation, using a spatially detailed disaggregated approach to quantify benefits in Europe, China and India.
- 6 Develop and apply a number of General Circulation Models (GCMs) and Integrated Assessment Models (IAM) to integrate the analyses.
- 7 Bring the information together to provide policy relevant output, including undertaking analysis of policy scenarios.

Project team			
AEA	UK	Metroeconomica	UK
Charles University Environment Center	Czech R	Paul Watkiss Associates	UK
Danish Meteorological Institute	Denmark	Potsdam Institute for Climate Impact Research	Germany
Economic and Social Research Institute	Ireland	Stockholm Environment Institute, Oxford	UK
Energy Research Institute (ERI)	China	The Energy and Resources Institute	India
European Commission - JRC (IPTS & IES)	Spain/Italy	Universidad Politecnica de Madrid	Spain
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Further information

To find out more about ClimateCost, please visit

www.climatecost.eu