



FINANSDEPARTEMENTET

Economic impacts of climate change

*Conference on Climate Change and Official
Statistics*

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4 interesting and diverse papers/presentations

Environmental accounts are useful tools:

- Consistent with National Accounts.
- Input-output applications.
- Integrated modelling.

The presentations show different uses of such accounts:

- Canadian: Measurement of impacts of climate change
- Dutch: The use of environmental accounts through analysis of CO₂-emissions
- German: Analysis of embodied energy and CO₂-emission in imports and exports
- Norwegian: Long term projections of emissions.

Impact and adaptation

- Adaptation to climate change is important, and can reduce costs substantially.
- A key issue in climate negotiations.
- EU green paper. Preparing plan in Norway.
- Infrastructure with long life span is important.
- EU stresses methodologies for assessment of impact, vulnerabilities and cost effective adaptation.
- The Canadian paper presents a valuable framework.
- A major challenge is how to link changes in biophysical, social and economic impacts to climate change

Dutch and German contributions

Dutch and German contributions show no trend towards Pollution heaven (carbon leakage). But until recently not strong measures against GHG.

Strong measures in developed countries without strong measures in developing countries will give carbon leakage, especially in energy intensive industries. Underscores the need for broad agreements.

We need to take more account of environmental degradation. Difficult to aggregate to one number. Use of indicators is important.

Statistics Norway and macroeconomic models

The first CGE was made in Norway in the 1960s:
Multisectoral growth model. Now MSG 6.

The last decades both the macro model used for medium term policies and the long term CGE, MSG, have included detailed energy use and emissions to air.

Extremely useful that Statistics Norway combines the work on national accounts and environment and create models they and others can use.

Important for long term planning and environmental policy. The same models used in our budget process and climate policy. Every 4 years the Government present new projections for the norwegian economy and emissions to air to mid-century.