

# Climate change: Russian official position and international commitments



NATIONAL RESEARCH  
UNIVERSITY

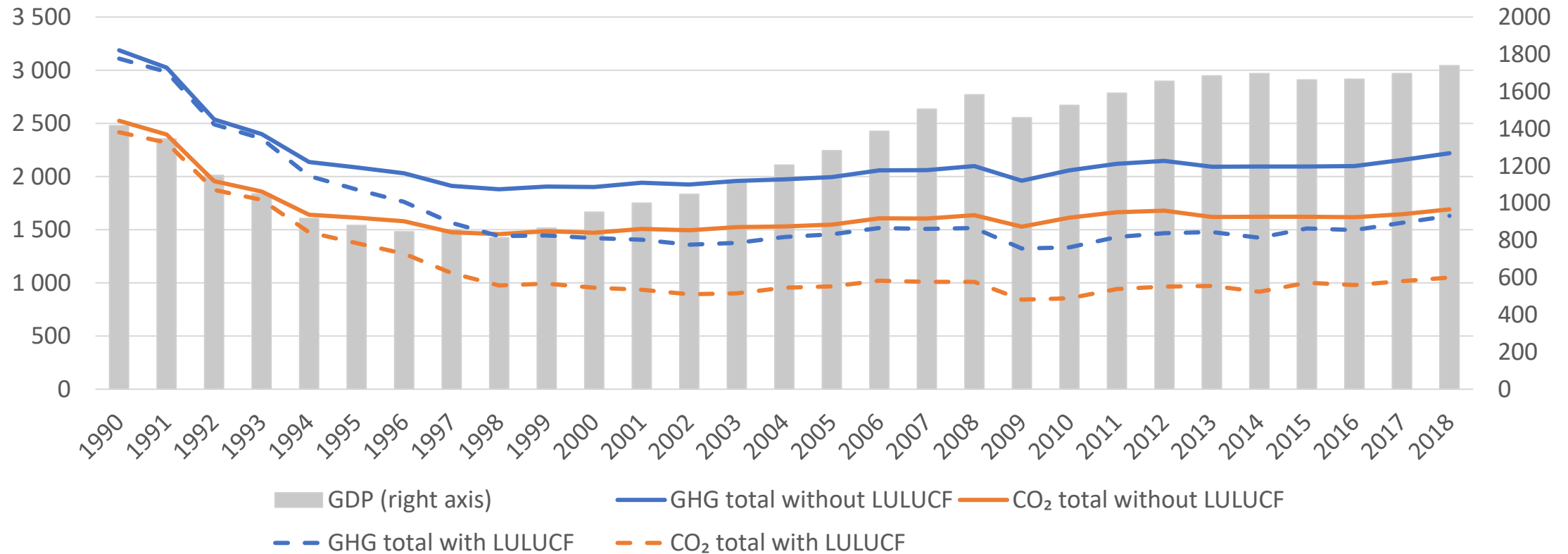
Igor Makarov

Head of the School of World Economy  
Head of the Laboratory for Climate Change Economics  
Higher School of Economics, Moscow

# Dynamics of GHG emissions

Russia now has -30.4% compared to 1990 for GHG without LULUCF and -48.6% for GHG with LULUCF

**Russian GDP (million dollars, right axis) and GHG emissions (MtCO<sub>2</sub>e, left axis) in Russia in 1990-2018**

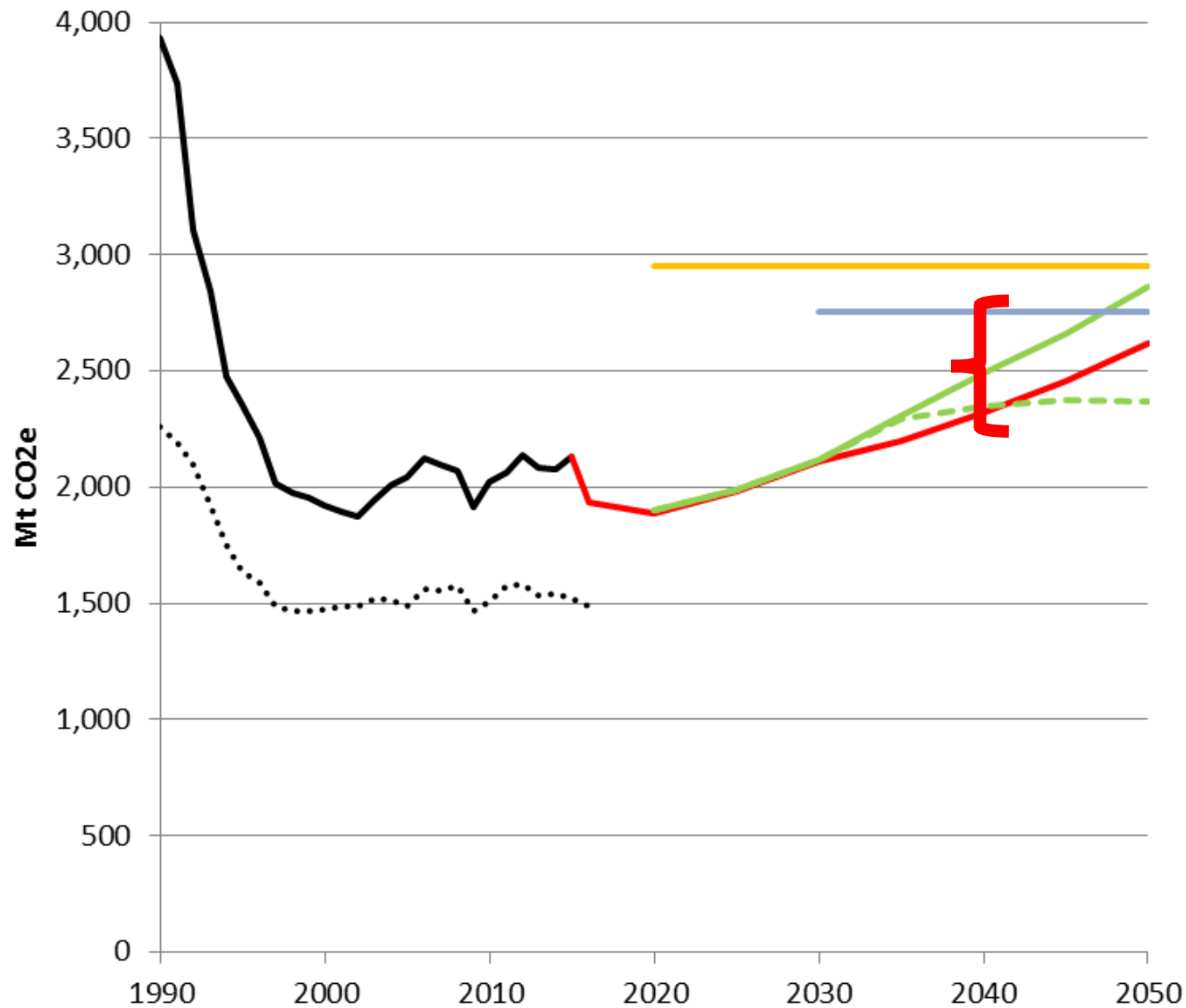


Source: UNFCCC, WB

# Russian climate policy

- Russia joint Paris agreement in 2019
- GHG emissions reduction target (adopted in 2020 and sum): -30% by 2020 compared to 1990 (will be fulfilled without additional efforts)
- National Adaptation Plan (the first phase adopted in 2020): regions should prepare their adaptation plans by 2022
- Long-term low-carbon strategy (under consideration in the government): suggests the rise of emissions by 2050 in any scenario
- Carbon regulation scheme (under consideration in the State Duma): no carbon pricing, just monitoring and disclosure
- Renewables: 2.5% by 2020 (previously was 4.5%) – even this lower goal hasn't been met
- Energy efficiency goal (not set in the law) – increase of energy efficiency by 30% by 2030 compared to 2019

# Russian GHG Emissions in different scenarios



- IPCC historic GHG
- ..... BP historic Energy CO2
- ParisForever
- Paris2C\_RussiaBAU
- - - Paris2C\_RussiaPolicy
- Target\_Copenhagen
- Target\_Paris

Paris targets are not binding for Russia

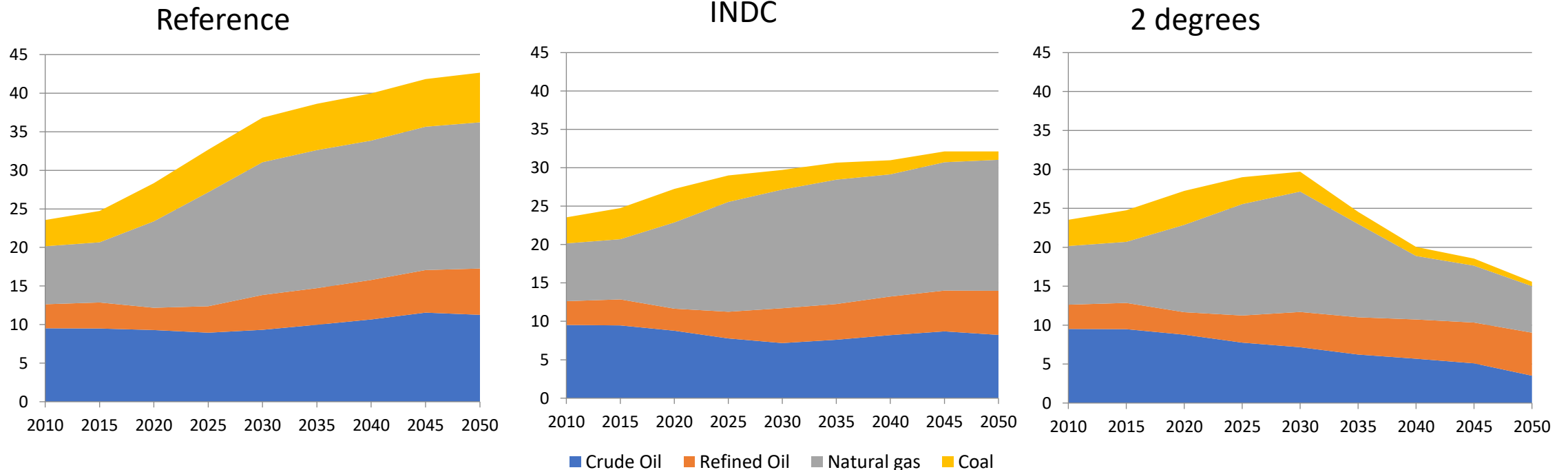
IPCC (2017), BP (2017)

IPCC Working Group III Contribution to the Fifth Assessment Report, Working Group III Contribution to the Fifth Assessment Report, Working Group III Contribution to the Fifth Assessment Report et al. (2020)

# “Green menace” as a driver of climate policies

In any scenario taking into account Paris Agreement, Russian energy exports in 2030 are 20% lower (in energy terms) relative to the *Reference* scenario. By 2050 the corresponding reduction reaches 25% for *INDC* and 64% for *2 degrees*

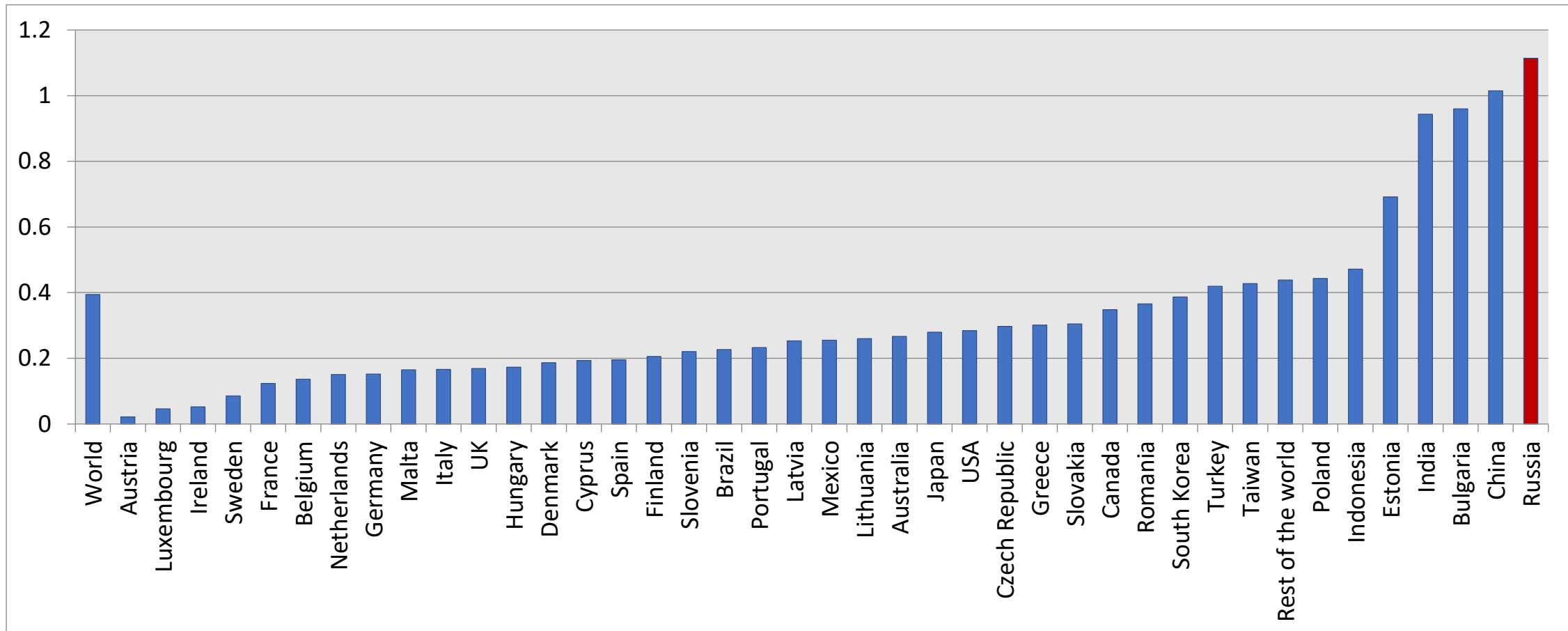
Russia's exports of fossil fuels, EJ



Source: Makarov et al., 2020

# Risks for Russia related to European Green Deal: carbon border adjustment mechanism

Carbon intensity of Russia's exports, kg CO<sub>2</sub> per USD



# CBAM: Estimates of damage to Russian exporters

- Is planned by the EU starting from 2022-2023 in order to prevent carbon leakage and to promote green development in other countries
- Details are not clear yet (geographical and sectoral scope, part of carbon footprint etc.)

- KPMG:

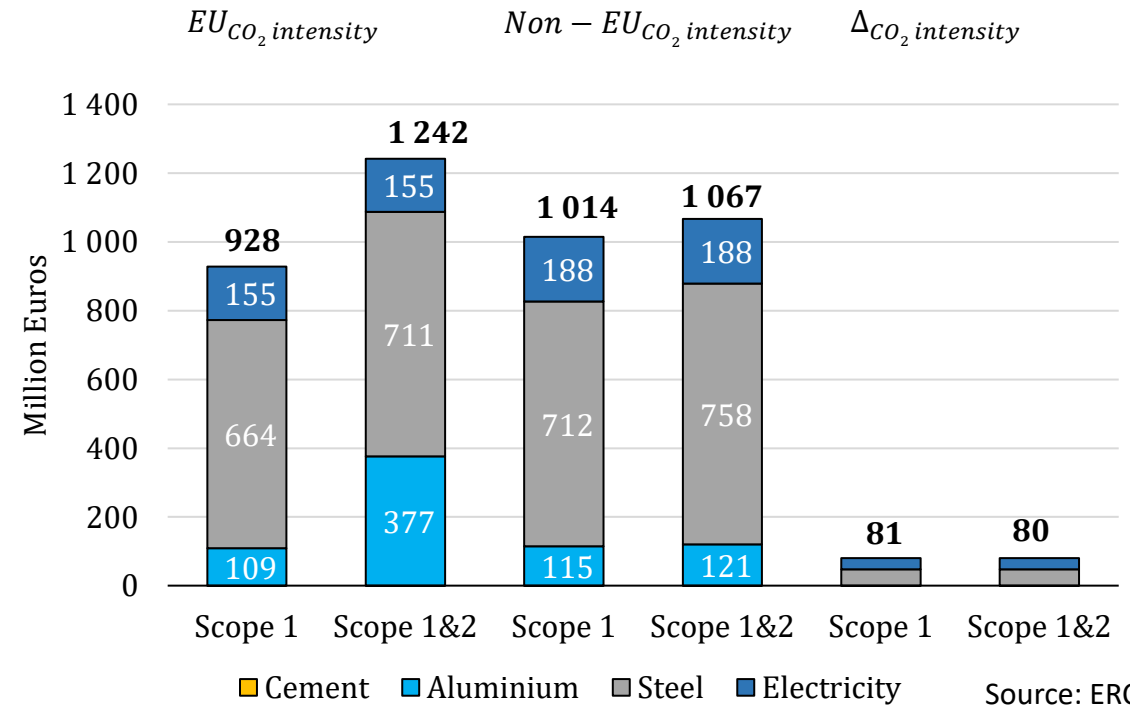
- 3 scenarios:
  - pessimistic: 50.6 bn euro in 2022-2030
  - baseline: 33.3 bn euro in 2025-2030
  - optimistic: 6 bn euro in 2028-2030

- BCG:

- 3-4.8 bn dollars/year, incl.:
  - oil and gas: 1.4-2.5 bn dollars/year
  - metals: 0.4-0.6 bn dollars/year

- Institute of Economic Forecasting of RAS:

- 3.6 bn euro/year



# Other key issues

- Forests projects:
  - The potential of reforestation in Russia is estimated at 151 million ha with mitigation potentials of up to 351 Mt CO<sub>2</sub>/year (Leskinen et al., 2020)
  - No system of certification and no recognition by the EU
- Hydro and nuclear:
  - 36% of electricity production
  - No recognition as green by the EU
- Hydrogen:
  - Russia is willing to develop grey, blue and yellow hydrogen
  - The EU wants green hydrogen



Thanks for your attention!  
[imakarov@hse.ru](mailto:imakarov@hse.ru)