

## Climate measures? Best at home, cheapest away

That's good that The Norwegian Environment Agency now proposes that Norway can buy emission reductions from developing countries. There, the cutting potential is enormous.

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Signals from the Norwegian Environment Agency are often interpreted as future Norwegian climate policy. In the directorate's new report "Climate measures in Norway - Knowledge base 2024", they reproduce a comprehensive recommendation with calculated effects for each measure.

Norway is bound both by the Paris Agreement to the UN and the EU's climate directives. The latter require that the EU's target for cuts be met within the EU's own borders.

However, the government wants to cut as much as technically possible at home, and then cover the remainder by buying emission permits from other EU countries. The EU countries' and Norway's cuts, including the cuts built into the adopted future reduction in the number of EU quotas, contribute to the fulfillment of the EU's and Norway's goals under the Paris Agreement.

A common EU market for climate quotas will ensure that the most climate-efficient companies survive, regardless of geographical location. Oil and gas extraction accounts for a quarter of Norwegian emissions. Most of this fossil energy is consumed in EU countries and which are therefore charged for consumption emissions, while remaining production emissions after Norwegian measures such as the electrification of oil platforms must be covered by buying climate quotas from the EU.

Large and expensive investments are needed to reduce the large point emissions in industry. Both the production and/or natural costs for large amounts of new renewable electricity are high. Will Norwegian voters accept a decline in living standards in order to implement such a demanding climate policy?

Yellow vests and other uprisings have already led to several countries reducing the level of ambition in climate policy. Even the EU's goal of all cuts at home may come under pressure when an expected new EU parliament takes power in June.

The second reason is that the Norwegian Environment Agency itself points to financing cheaper cuts in developing countries as a possible solution. Admittedly, initially only for a voluntary Norwegian cut of 20 percentage points, but if the solution proves to be both effective for us and growth-creating for developing countries, it can quickly be applied to the EU's climate goals as well.

We can then copy Switzerland, which today finances waste management, clean-burning kitchen stoves, biogas and other things in developing countries. The resulting cuts amount to ten percent of Switzerland's emissions and are recorded in their national emissions accounts under the Paris Agreement.

Political sustainability here at home will over time require such a shift towards the cheapest and most effective emission reductions. A climate-obsessed population is happy to contribute financially, but then they expect effective and real climate effects for the money.

Many people today perceive that tax money subsidizes risky green Norwegian industrial construction, while the most important thing is to reduce global warming.

Many developing countries have enormous potential to produce and export emission reductions under the Paris Agreement regulations, which open up international trade.

- In Colombia, local communities stop deforestation for just five dollars per tonne of CO<sub>2</sub>, while it may be enough to compensate Brazilian cattle farmers with just three dollars per tonne of CO<sub>2</sub> to stop deforestation.
- The huge reforestation project The Green Wall in Africa will soak up huge amounts of CO<sub>2</sub> and at the same time protect against desertification.
- Sewage treatment in southern cities can capture methane emissions which are then transformed into biogas which becomes an energy source for local transport.

Such simple measures simultaneously create economic growth, a better environment and better health in poor countries, and are a cheaper and thus more politically sustainable solution here at home.

Green, Norwegian companies possibly have greater opportunities abroad than at home. The experience from ten years of financing rainforest rescue can be used to carry out projects that can be counted in our emission accounts.

In Asker, the world-leading sewage treatment company Cambi can almost give away its technology for free to developing countries when Norway, and eventually hopefully also the EU, is willing to buy the reduction in emissions from their facilities. A single plant can reduce 600,000 tonnes of CO<sub>2</sub> per year and thus exceeds most of the Norwegian Environment Agency's sector initiatives here at home.