

The AVOID programme's new simulations of the global benefits of stringent climate change mitigation

Article

Accepted Version

Warren, R., Lowe, J. A., Arnell, N., Hope, C., Berry, P., Brown, S., Gambhir, A., Gosling, S. N., Nicholls, R. J., O'Hanley, J., Osborn, T. J., Osborne, T., Price, J., Raper, S. C. B., Rose, G. and Vanderwal, J. (2013) The AVOID programme's new simulations of the global benefits of stringent climate change mitigation. Climatic Change, 120 (1-2). pp. 55-70. ISSN 0165-0009 doi: https://doi.org/10.1007/s10584-013-0814-4 Available at http://centaur.reading.ac.uk/33370/

It is advisable to refer to the publisher's version if you intend to cite from the work. Published version at: http://dx.doi.org/10.1007/s10584-013-0814-4 To link to this article DOI: http://dx.doi.org/10.1007/s10584-013-0814-4

Publisher: Springer

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Title: The AVOID programme's new simulations of the global benefits of stringent climate change mitigation

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Abstract Quantitative simulations of the global-scale benefits of climate change mitigation 8 are presented, using a harmonised, self-consistent approach based on a single set of climate 9 change scenarios. The approach draws on a synthesis of output from both physically-based 10 and economics-based models, and incorporates uncertainty analyses. Previous studies have 11 projected global and regional climate change and its impacts over the 21st century but have 12 generally focused on analysis of business-as-usual scenarios, with no explicit mitigation 13 14 policy included. This study finds that both the economics-based and physically-based models 15 indicate that early, stringent mitigation would avoid a large proportion of the impacts of climate change projected for the 2080s. However, it also shows that not all the impacts can 16 17 now be avoided, so that adaptation would also therefore be needed to avoid some of the potential damage. Delay in mitigation substantially reduces the percentage of impacts that 18 19 can be avoided, providing strong new quantitative evidence for the need for stringent and prompt global mitigation action on greenhouse gas emissions, combined with effective 20 adaptation, if large, widespread climate change impacts are to be avoided. Energy 21 technology models suggest that such stringent and prompt mitigation action is 22 23 technologically feasible, although the estimated costs vary depending on the specific modelling approach and assumptions. 24

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26 Main Text:

Many previous studies have used physically-based models to project global and regional climate change and its impacts over the 21st century (Solomon et al. 2007) but have generally focused on analysis of business-as-usual scenarios, with no explicit mitigation policy included. The few exceptions (Ciscar et al. 2011) have tended to provide limited coverage of sectors or regions.

A new UK stakeholder-led program - Avoiding Dangerous Climate Change (AVOID) - has 33 now produced quantified, integrated, physically- and economics-based modelling information 34 about the global-scale benefits of global climate change mitigation. A key focus is the 35 climate changes and impacts that can be *avoided* by stringent action to reduce anthropogenic 36 emissions of greenhouse gases. An important aspect of the approach is the use of two 37 complementary probabilistic modelling approaches. The first is the creation of a link 38 between probabilistic climate change projection and complex physically based climate 39 change impacts models. The second is the use a probabilistic integrated model to simulate 40 41 aggregate economic impacts of climate change.

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The AVOID program addresses three questions posed by stakeholders from UK government departments: (i) What large-scale climate changes (which are often undesirable and sometimes considered dangerous) are likely to be triggered by different amounts of future warming? (ii) What emissions and development pathways can minimize the undesirable impacts of climate change? (iii) Are these emissions pathways economically and technologically feasible? The results summarised in this paper present the program's initial steps towards answering these questions.

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Alternative global emission pathways for the 21st century, including two 'business as usual' 51 52 scenarios A1B and A1FI, and several mitigation scenarios, are used to drive a simple climate model that estimates resultant global-mean warming. The mitigation pathways initially 53 54 follow a business as usual scenario, SRES A1B (Nakicenovich et al. 2000) and then transition over seven years to zero emissions growth. The rate of reduction in emissions growth is then 55 applied beyond the peak until the emissions reach a long term rate of reduction. This long 56 term reduction rate is applied until emissions reach a "floor" value, which can be considered 57 as a point beyond which it is difficult to mitigate, such as may be associated with a need to 58 maintain food supply through application of fertilisers leading to emissions of N₂O. 59 Variations in the year in which emissions peak globally (2016 or 2030), the long-term rate of 60 emission reduction (1 to 5%/yr), and a range of different emission floors (from 0 to 17 61 GtCO₂e/yr) provide 150 alternative multi-gas mitigation pathways. Emissions of CO₂, CH₄ 62 and N₂O are specified along with more minor constituents and aerosol emissions. Six 63 scenarios are selected for analysis of avoided regional climate change and impacts (Table 1). 64 Although our mitigation scenarios start from the SRES A1B scenario it is acceptable to 65 compare the impacts avoided with both SRES A1B and SRES A1FI because for the first few 66

- decades of the 21^{st} century, when mitigation action is initiated in our experiments, there is
- 68 little difference in the climate response of the two business as usual scenarios.
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/0	Table 1.	. The Av	UID	basenne and	a mugauon	scenarios.

Name	Туре	Year global	Rate of subsequent	Emissions floor
		emissions peak	emission reduction %/yr	
A1FI	Baseline	N/A	None	N/A
A1B	Baseline	2050	None	N/A
2016r2H	Mitigation	2016	2	High
2016r4L	Mitigation	2016	4	Low
2016r5L	Mitigation	2016	5	Low
2030r2H	Mitigation	2030	2	High
2030r5L	Mitigation	2030	5	Low

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For our estimation of physically based impacts this study uses the simple climate model 75 MAGICC (Wigley & Raper, 2001) which was extensively used by the Intergovernmental 76 Panel on Climate Change (IPCC) (Hougton et al. 2001), and is capable of emulating global-77 78 mean warming from more complex models. This is necessary because the sample of more complex GCMs that were available and which directly used mitigation scenarios was still 79 very limited when the impact calculations were carried out (e.g. Johns et al., 2011 for an early 80 example). Whilst the CMIP5 model intercomparison is providing more GCM simulations for 81 a mitigation pathway, even now these are available only for a very limited number of 82 mitigation cases, typically only E1 (Lowe et al., 2009a) and RCP2.6 (Moss et al. 2010). For 83 our study we require a wider range of emission pathways so that we can compare the relative 84 effects of emission peak year and long-term emission reduction rate on climate impacts. 85 Thus, we have used the simple climate model approach, combined where appropriate with 86 spatial pattern scaling, as the only viable approach to covering the scenarios of interest. 87 88 Uncertainty in climate response was included for three key MAGICC parameters, the climate sensitivity (defined as the equilibrium global mean temperature increase for a doubling of 89 atmospheric CO2), the ocean mixing rate (that determines how quickly the warming at the 90 surface is diffused throughout the ocean), and a climate-carbon cycle feedback amplification 91

92 factor (that amplifies the temperature dependent climate-carbon cycle feedback in MAGICC).

93 The precise details are described in Lowe et al. (2009b). These uncertainties are propagated

⁹⁴ through to the impacts analysis, and a suite of physically-based impacts models which

95 characterise impacts in a range of metrics. Uncertainties within the physical impacts models

96 themselves are, in general, not considered within the study.

97

The study's projections of global temperature rise are consistent with the IPCC's projected 98 global annual warming in baseline scenarios SRES A1B of 1.7-4.4°C above 1990 levels by 99 the end of the century (Solomon et al. 2007) (i.e., 2.2-4.9°Cabove pre-industrial levels). The 100 median warming in the A1B business as usual scenarios is 4°C above pre-industrial levels 101 (10-90 percentile range is 3.1-5.5°C above pre-industrial levels). In contrast, stringent 102 mitigation that causes global annual emissions to peak in 2016 and decline at 5% annually 103 thereafter produces a 55% chance of limiting warming to 2°C above pre-industrial levels. 104 This mitigation also reduces the chance of global warming reaching 3°C above pre-industrial 105 levels from 19 in 20 in the business as usual scenario to 1 in 20 with stringent mitigation. 106 Scenarios in which global annual emissions peak in 2030 are unable to deliver a 50% chance 107 of limiting annual global mean temperature change to 2°C above pre-industrial levels, 108 although they do provide a greater than evens chance (66% to 75%) that warming will remain 109 below 3°C and reduce the chance of a 4°C rise to about 3%. Figure 1a summarises these 110 111 outcomes. A detailed analysis of the relationship between peaking date for global emissions, subsequent emission reduction rates, and levels of emissions in 2050 may be found in 112 Huntingford et al. (2012). 113

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Projections for specific impact sectors were made using spatially-explicit process-based 115 global physical impacts models, covering water resources, river and coastal flood risk, 116 wetland loss, terrestrial biodiversity, crop suitability and productivity, and heating and 117 cooling demands (Arnell et al 2013, Warren et al in press). A direct comparison is made 118 between the levels of impacts in the presence and absence of action to reduce emissions of 119 greenhouse gas emissions. The models include the influence of socioeconomic factors such 120 121 as population upon impacts. These factors are held constant across all scenarios so that the effect of climate change is isolated. 122

123

All impacts projections were run with spatially-explicit climate scenarios produced by 124 pattern-scaling climate model output to match the changes in global mean temperature as 125 simulated by MAGICC under the different emissions pathways, and with socio-economic 126 impact metrics assuming that population and economic growth follow either the SRES A1B 127 or SRES A1FI socio-economic scenarios (see Arnell et al., 2013, for more details of the 128 hydrological, crop, coastal and temperature-based indicators). Pattern-scaling (Warren et al., 129 2012) has a number of advantages, including that climate change projections can be 130 constructed for (e.g. mitigation) scenarios that have not been simulated by the GCMs, but 131 132 also some limitations, principally that it assumes a linear change in the amplitude of the regional pattern of climate as the global-mean temperature increases. In some instances, 133 GCMs exhibit more complex behaviour, which is not captured by the pattern-scaling 134 approach used here. This method has been shown to provide an "acceptable" emulation of 135 the GCM responses for the types of scenario studied here, given the other large uncertainties 136 in estimation of regional climate changes. The water resources and river flooding indicators 137 were based on river flows simulated using Mac-PDM.09 (Gosling & Arnell, 2011). Changes 138 in exposure to water resources stress is characterised by the total numbers of people living in 139 watersheds with less than 1000m³/capita/year in the 1961-1990 baseline experiencing a 140 141 significant decrease or increase in average annual runoff, where a significant change in runoff is greater than the standard deviation in average annual runoff due to multi-decadal 142 143 variability. Change in exposure to river flooding is characterised by the numbers of people living in flood-prone areas where the return period of the baseline 20-year flood either 144 doubles or halves due to climate change. In different parts of the world, exposure to both 145 water stress and river flooding may increase or decrease in response to climate change. 146 Change in coastal flood risk and coastal wetland extent were calculated using DIVA 2.0.4 147 (Hinkel & Klein, 2009), which combines the effect of natural land movement and sea level 148 rise. Coastal flood risk is characterised by the average annual number of people flooded in 149 coastal floods, and it is assumed that the level of coastal flood protection increases as 150 population density and wealth in flood-prone areas increases, and also as sea level rises; some 151 adaptation is therefore assumed. The effect of climate change on the suitability of land for 152 cropping is characterised by the area of cropland over which Ramankutty et al.'s (2009) crop 153 suitability index changes by more than 5%; the index combines climate suitability (defined 154 by rainfall, temperature and evaporation) and crop suitability (based on soil carbon content 155 and pH). Both improvements and decreases in crop suitability are simulated. The productivity 156 of spring wheat and soybean was estimated using the GLAM model (Challinor et al., 2004), 157

which simulates crop productivity based on climate, CO₂ concentration and soil 158 characteristics; some adaptation is incorporated here, as it is assumed that the variety with the 159 greatest yield under the simulated climate is planted. Changes in heating and cooling 160 requirements are represented by changes in regional population-weighted heating and cooling 161 degree days (using 18°C as the temperature threshold for both heating and cooling). A global 162 analysis of impacts on biodiversity (Warren et al. in press) provides the potential climatic 163 range changes for 48,786 animal and plant species across the globe under the AVOID 164 scenarios, using MaxEnt (Elith et al .2010) 80% of these species have climatic ranges in 165 excess of 30,000 km², hence these climatic range losses would affect ecosystem services 166 across large areas. A realistic level of species dispersal (natural adaptation by biodiversity) is 167 assumed to take place. Uncertainties within the physical impacts models themselves are 168 mostly not considered within the study. Models simulate responses to climate change that are 169 beneficial as well as those which are not. Where climate change has a detrimental impact, the 170 avoided impacts are defined as positive in sign; where climate change has a beneficial 171 impact, the avoided impacts are defined as negative in sign. 172

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The second approach to estimating impacts used the simple integrated model PAGE2002 174 (Policy Analysis for the Greenhouse Effect: Hope, 2008), which simulates the radiative 175 forcing and greenhouse warming resulting from the selected six emission scenarios, and 176 177 further estimates the economic damage caused by warming to market and non-market sectors using parameters estimated from the literature. The climate model within PAGE2002 is 178 simpler than the MAGICC plus pattern-scaling approach used for the physical impact 179 modelling exercise but it is nevertheless still able to credibly sample the uncertainty in the 180 transient climate response and the long-term response of surface temperatures for the 181 scenarios of interest. The differences in damages between the SRES A1B baseline and policy 182 scenarios are compared to produce estimates of the benefits of reduced carbon emissions. 183 Equity weighting of the damages can be introduced into the calculations to reflect the wide 184 disparity in incomes between the developed and developing worlds. Parameters linking 185 emissions to climate change and linking climate change to damages are incorporated as 186 probability distributions, thus enabling a probabilistic analysis to take place. The model also 187 includes damages that might result from abrupt changes in the Earth's response to greenhouse 188 warming (Hope, 2008). 189

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- 191 The impacts under the different emissions scenarios are simulated using an integrated assessment model, PAGE2002, which estimates impacts in economic terms, and a suite of 192 physically-based impacts models which characterise impacts in a range of metrics. The 193 combination of the two contrasting modelling approaches (physical and integrated) allows 194
- investigation of the robustness of outputs to the use of very different modelling approaches. 195
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Table 2 summarises the indicators used and explains whether they are used show benefits or 198 losses in response to climate change. 199

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- Indicator Metric Sign adopted in Figure 2a, b Total economic PAGE simulates disbenefits of damages climate change, the avoided damage is a positive number Count of species No. of species losing The number of species protected more than half their due to mitigation is shown as a current climatic range positive number Improvement in crop Area of cropland Since increased suitability is a benefit which mitigation reduces, suitability the avoided impacts are negative Area of cropland Decrease in crop Since decreased suitability is a loss suitability which mitigation reduces, the avoided impacts are positive Exposure to increased Number of people Since increased exposure is a loss living in waterwhich mitigation reduces, the water stress stressed watersheds avoided impacts are positive Exposure to decreased Number of people Since decreased exposure is a water stress living in waterbenefit which mitigation reduces, stressed watersheds the avoided impacts are negative Number of people Exposure to increased Since increased exposure is a loss river flood frequency living in river which mitigation reduces, the
- 201 Table 2. Indicators used in the study.

avoided impacts are positive

floodplains

Exposure to decreased	Number of people	Since decreased exposure is a
river flood frequency	living in river	benefit which mitigation reduces,
	floodplains	the avoided impacts are negative
Change in people	Average annual	Sea level only rises in response to
exposed to coastal	number of people	climate change, so these changes
flood	flooded in coastal	are all losses which mitigation
	storms	reduces, so the avoided impacts
		are positive
Change in coastal	Area of coastal	Sea level only rises in response to
wetland	wetland	climate change, so these changes
		are all losses which mitigation
		reduces, so the avoided impacts
		are positive
Change in heating	Population-weighted	Climate change generally
degree days	heating degree day	increases regional temperatures so
	total	that there are fewer days below a
		heating threshold. This is a benefit
		which mitigation reduces, so the
		avoided impacts are negative
Change in cooling	Population-weighted	Climate change generally
degree days	cooling degree day	increases regional temperatures so
	total	that there are more days above a
		heating threshold. This is a loss
		which mitigation reduces, so the
		avoided impacts are positive

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Fig 2a combines output from the PAGE integrated assessment model with those from the physically based models. In particular, the figure shows the impacts avoided in the mitigation scenarios relative to the A1B baseline scenario impacts, expressed as a percentage. Solid bars represent the case average outcome from driving the with the median global climate change outcome from the MAGICC4.1 model combined with the seven alternative patterns of regional downscaling. Note that where climate change causes losses, the avoided impacts

are shown as positive (red). Where climate change has a beneficial effect, the avoided 210 impacts are shown as negative (blue). Table 2 details which indicators refer to benefits and 211 losses. Overall, the positive benefits of mitigation (red bars in Fig 2a) greatly outweigh the 212 negatives (blue bars in Fig 2a). Further, for past-peak emission reduction rates of 2-5%, 213 avoided impacts in physical and economic terms in the 21st century are larger for earlier 214 peaking dates (in the range 2016-2030) irrespective of the subsequent emission reduction 215 rate. Both red bars (referring to an emission peaking date of 2016 and subsequent emission 216 reduction at 5% annually) and pink bars (referring to an emission peaking date of 2016 and 217 218 subsequent emission reduction at only 2% annually) produce a larger proportion of avoided impacts than do the orange bars (referring to an emission peaking date of 2030 and 219 subsequent emission reduction at 5% annually thereafter). Hence, fewer impacts can be 220 avoided (in either physical or economic terms) when global emissions do not peak until 2030, 221 even if emissions are reduced at 5% thereafter, than if emissions peak in 2016 and are 222 reduced at 2% annually thereafter. The finding of a tradeoff between emission reduction rate 223 and the date at which global emission peak reflects the relatively fixed relationship between 224 total cumulative CO_2 emissions and peak temperature change. 225

226

227 In some individual sectors or regions, avoided physical impacts can be reduced by as much as 70% by 2100, whilst in other regions or sectors, only 15% of the impacts may still be 228 229 avoided. Many populated areas are projected to experience increased exposure to fluvial flood risk in the business as usual scenario by 2100, and these risks are reduced by some 60% 230 231 with mitigation. A small percentage of world population is actually projected to experience slightly less exposure to fluvial flood risk in the business as usual scenario than in the 232 mitigation scenario. Avoided impacts in sectors impacted by sea level rise tend to be smaller, 233 owing to the slow response of sea level rise to changes in radiative forcing. For sea level rise 234 projections, only a single global circulation model (HadCM3) was used, which provided 235 projections of a rise 47.3 cm for A1B by the end of the century, which reduced to 30.9 cm 236 under the most stringent mitigation scenario. However, for many of the impact categories 237 studied, 30-50% of the impacts are avoided by 2100 relative to the A1B baseline case. 238 Relative to an A1FI baseline case, avoided impacts are larger, ranging from 30-80%, 239 compared to 20-70% with the A1B baseline (Figs. 2a,b). 240

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Fig 2a also shows error bars representing uncertainty in the estimates of avoided impacts. In 243 the case of the physical impacts models, uncertainty analysis is largely based on uncertainties 244 in climate projection, focusing on uncertainties in the differing regional patterns of change 245 produced when downscaling using different GCM patterns. This is justified because our 246 probabilistic analysis suggests that the contribution to total uncertainty in many impacts from 247 local pattern tends to dominate over the uncertainty from the global response and which is 248 associated with, for instance, the uncertainty in the transient climate response. Seven climate 249 models from the CMIP3 model set were used. The models (HadCM3, HadGEM1, ECHAM5, 250 251 IPSL_CM4, CCSM3.1 (T47), CGCM3.1 (T63) and CSIRO_MK3.0) span the broad range of changes simulated under the full CMIP3 model set (Meehl et al. 2007), and provide an 252 indication of the range in possible future climates. At the time of writing, studies such as the 253 'AgMIP' (www.agmip.org) are now producing estimates of the uncertainties inherent in 254 impacts modelling, Further work is required to understand how to correctly combine the 255 uncertainty in transient climate response with local pattern uncertainty, and also to 256 incorporate the outcomes of these ongoing studies of uncertainty within impact model 257 simulations. 258

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260 Figure 2a also shows that if global emissions peak in 2016, around one half of the aggregate economic impacts can be avoided by the 2080s, but if mitigation is delayed so that emissions 261 peak in 2030, only around a third of the impacts can be avoided. This is the case regardless of 262 whether or not equity weightings are used in the PAGE2002 model. It should be noted that 263 similar trends in terms of the dependence of reduced avoided impacts on the timing of 264 mitigation are produced by the physical impacts models and the PAGE2002 modelling 265 approach (Fig 2a). Uncertainty analysis in the integrated modelling approach is necessarily 266 different from that of the physical modelling approach, as in the case of PAGE the 267 probabilistic analysis synthesises uncertainties in climate projection and damage estimation 268 into a single analysis, allowing the production of 10%, 50%, and 90% outcomes 269 incorporating several aspects of uncertainty, and it is these 10% and 90% outcomes which 270 comprise the error bars. 271

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Hence these projections demonstrate that early, stringent mitigation can avoid a large
proportion of the impacts of climate change that are projected to occur during the
second half of the 21st century, irrespective of whether impacts are measured in physical
or economic terms.

The question then arises as to how large are these physical and economic impacts. Figures 278 3a, b show probability distributions of aggregate economic impacts in the A1B baseline 279 scenario estimated by the PAGE model, detailing the inclusion or otherwise of equity 280 weighting, which show mean estimates of US\$12.6 trillion (8.2 trillion) of weighted 281 (unweighted) annual aggregate damage in the 2080s, with a 10-90% range of US\$4-24 282 trillion (3 -15 trillion). Warren et al. (in press) estimate under the A1B scenario, 57±6% % of 283 plants and 34±7 % of animals will lose more than half their climatic range by the 2080s. 284 285 Detailed physical impacts modelling results presented elsewhere (Arnell et al 2013), also show that the estimated impacts in 2100 under the A1B and A1FI baselines are large. 286 Examples of estimated global scale impacts in 2100 under the A1FI (A1B) scenario using the 287 HadCM3 regional downscaling pattern are: 60% (38%) decline in spring wheat productivity; 288 68% (46%) decline in soybean productivity; 35% (32%) decline in coastal wetland extent; 289 64% (56%) cropland with decreased crop suitability and 12% (14%) with increasing 290 suitability; 16%(13%) of global population with increased exposure to water stress; 65% 291 292 (58%) of the flood-prone population is exposed to greater flood risk; 125% (92%) increase in cooling energy demand and 55% (42%) decrease in heating energy demand. However, like 293 294 many other studies, this one finds large uncertainties in the projections of precise values of avoided impacts, larger, in fact, than the differences between the various mitigation scenarios 295 296 considered. This is not surprising since the various GCMs produce differing representations of regional climate change. However, what is significant for policy is that the avoided 297 impacts are likely to be large (see Figures 2, 3) regardless of these uncertainties. The study 298 299 thus addresses the need to make mitigation decisions against a backdrop of uncertainty in climate projections, by identifying a more robust indicator of mitigation benefits in terms of 300 the percentage of impacts avoided by mitigating. Hence, the projections indicate that the 301 avoided impacts are large and spatially extensive. Nonetheless, adaptation planners still 302 need to prepare for a wide range of possible outcomes in terms of the residual impacts after 303 mitigation has been accounted for. 304

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The results from the global biodiversity analysis here were consistent with a separate analysis based on the same scenarios, of the effects of climate change on European species focusing on 194 European mammals and 500 European plants using a Neural Ensembles modelling approach and two GCM patterns (O'Hanley 2009). This study projected that 13-25 European plant species (16-25 mammals) would incur a climatic range loss of more than 50% by the

2080s under the A1B baseline scenario, compared to only 4-5 plants and 4-6 mammals in a
stringent mitigation scenario in which global emissions peak in 2016 and are reduced at 5%
thereafter.

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We now consider the issue of whether the scenarios we used are feasible. A survey of 315 integrated assessment models by den Elzen et al. (2010) concluded that global long-term 316 emissions reductions rates of up to 3.5% per year are possible but are less commonly seen in 317 the model studies, which typically try to minimize costs, than lower emission reduction rates. 318 319 Several other studies have also concluded that higher reduction rates are possible (Climate Change Committee, 2008, O'Neill 2010, UNEP, 2010). Analysis in the AVOID programme 320 using a range of integrated assessment models demonstrated that transitioning from business-321 as-usual emissions scenarios (which for each model were broadly consistent with SRES A1B) 322 to scenarios that included emissions peaking in 2016 and achieved a 2 degrees C limit to 323 global warming were technologically possible, but with a broad range of annual 2050 324 mitigation cost estimates ranging from -2% of 2050 GDP (i.e. an economic benefit) to +9% 325 of 2050 GDP (Bowen, 2010). Additional analysis in the AVOID programme focused 326 specifically on China and India demonstrated that these two regions could in theory deploy a 327 328 range of low-carbon technologies which would allow them to achieve per-capita CO₂ emissions of around 2tCO₂ or less by 2050, in mitigation scenarios which limited global 329 warming to 2 degrees C, and which included global emissions peaking by 2020 (Gambhir et 330 al, 2011, Gambhir et al, 2012). For China, the annual mitigation cost by 2050 was estimated 331 at about 2% of China's 2050 GDP, and for India, 1.2-2.4% of India's 2050 GDP (with the 332 higher level resulting from a scenario in which carbon capture and storage was excluded from 333 available technology options, and biomass availability was limited). Hence we conclude 334 there is evidence that it will be technologically possible to limit warming to 2°C above 335 pre-industrial levels but in economic terms could be challenging to do so. 336

337

It is possible to make a comparison of the estimated aggregate avoided economic damages from our study with mitigation costs, both from the PAGE2002 model. Upon moving from the A1B baseline to the stringent mitigation scenario in which global emissions peak in 2016 and are reduced at 5% thereafter, the mean net present value of avoided damages amounts to US\$57, with a 10 – 90% range of US\$ 5 – 136 trillion while the mean net present value of abatement costs amounts to \$US 9, with a 10 – 90% range of US\$ 2 – 18 trillion (Fig 4a, b). The mean net present value of net benefits amounts to US\$ 48trillion , with a 10 - 90% range

of US\$ 0 -121 trillion (Fig 4c), Hence, in PAGE2002 the benefits exceeds the costs even for
 the most stringent mitigation scenario, with 90% confidence.

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In other studies a variety of economic optimization approaches have been used to produce 348 cost-benefit analyses for investment in mitigation of global greenhouse gas emissions, using 349 models such as DICE/RICE, ENVISAGE, MERGE, and FUND (Tol 1999; Nordhaus & 350 Boyer, 2000; Manne & Richels, 2005; Nordhaus 2008; Roson & Mensbrugge 2012). Such 351 cost benefit analysis (CBA) has tended to recommend relatively modest levels of mitigation, 352 353 but the outcome of cost-benefit analysis is very strongly dependent on subjective assumptions, such as the choice of discount rates, and suitable equity weighting (Schneider, 354 1997; Ackerman et al., 2009). CBA uses simple equations to represent climate change and 355 its impacts which are inconsistent with the latest understanding of the relationships between 356 emissions and climate change, and between climate change and its impacts (Schneider, 1997; 357 358 Ackerman et al., 2009, Warren et al 2010, Van Vurren et al 2011,) and the simple equations used produce damage curves with simple shapes that have frequently not been correctly 359 360 calibrated to match recent scientific understanding, lack the ability to represent complex behaviour, and frequently omit or mis-calibrate regional variation. Whilst these same 361 362 problems may affect our own PAGE2002 results this is minimized by the probabilistic approach, and we do not conduct an optimization process. The outcome of optimization 363 alters each time new parameter values are available from the literature concerning climate 364 change or its impacts, making the process of optimization unreliable. For this reason, an 365 extremely wide range of results can be produced by adjusting the input parameters. 366 Uncertainties in estimates of the social cost of carbon (SCC), one of the strongest 367 determinants of the outcomes of formal cost-benefit analysis, clearly illustrate the 368 dependence of SCC on climate sensitivity, the shape of the climate change damage function, 369 and the value of the discount rate (Ackermann & Stanton, 2012, Tol 2009). In contrast, the 370 approach described here is based on a risk assessment of alternative scenarios of the future, 371 including a presentation of uncertainties in outcomes of these scenarios. The methods avoid 372 the inherent problems of optimization, and instead estimate the climate change impacts 373 associated with different global greenhouse gas emissions futures, taking into account the 374 uncertainties in our ability to project climate change and its, where possible, impacts. Thus, in 375 our studies we do not select a global temperature limit from an optimized CBA, but instead 376 recognize that the models are better used to provide one of many strands of evidence that will 377 contribute to decisions on a suitable temperature target level. 378

It should be noted that optimization based approaches using a high (3%) discount rate 380 commonly result in 'optimal' global temperature rise of between 2.9 and 3.5°C above pre-381 industrial levels (Bosello et al. 2010, Hope 2008, Nordhaus 2008, Nordhaus 2010). These 382 moderate levels of mitigation would allow many of the substantial climate change impacts 383 projected here to persist. However, use of lower discount rates in these same models can 384 lower the optimal global temperature rise to around 2.5°C (Bosello et al. 2010). Hence the 385 stringent mitigation scenarios examined here are inconsistent with the outcome of 386 optimization approaches *if high discount rates are used in the models* and yet might be *more* 387 consistent with them if low discount rates are used. However, it has been shown that the 388 regional damages associated with a 2°C temperature increase simulated with physically-389 390 based impacts models differ very significantly from those produced by aggregate economic estimates produced by the RICE integrated model, which is commonly used in optimization 391 392 based approaches (ClimateCost 2012) and in particular, very large underestimations of damages in Africa and S. and E. Asia have were found.. 393

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The findings of our work are consistent with those of Gosling et al. (2011) which also 395 396 provides evidence of the need for stringent global action on climate change if significant undesirable impacts are to be avoided. Both the economic and physically based modelling 397 398 approaches used in this study show that if the goal of a mitigation policy is to maximize the avoidance of climate change impacts in the 21st century. It is also likely that the lower 399 temperatures in the mitigation scenarios reduce other impacts associated with abrupt or 400 irreversible changes in the climate system, such as die-back of Amazon forests or irreversible 401 loss of the major ice sheets. For feasible rates of emission reduction of 2-5%, the date at 402 which global emissions peak (over the range 2016-2030) is more influential, in terms of 403 impacts avoided, than the rate of subsequent emission reductions. The study also makes it 404 clear that even in the presence of very stringent mitigation, climate change impacts will be 405 substantial in many areas and hence significant investment in adaptation will be necessary. In 406 407 spite of this, climate change impacts under stringent mitigation increase much more slowly with time, allowing a slower and more feasible rate of adaptation to the remaining impacts. 408 409

In summary, in spite of the uncertainties in projecting precise values of projected climate
change impacts, the AVOID study provides strong quantitative evidence for the need for

412	stringent and prompt global mitigation action on greenhouse gas emissions combined with				
413	effective adaptation if severe climate change impacts are to be avoided. The findings also				
414	highlight the inadequacy of the often-deployed cost-benefit analysis to the questions				
415	considered here.				
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567 Acknowledgments:

This work was supported by the AVOID programme (DECC and Defra) under contract
 GA0215.

- 570 Figure 1a Cumulative probability of constraining global temperature outcomes in the
- 571 AVOID scenarios, showing the probability of constraining global temperature rise
- 572 below various thresholds
- 573



Figure 1b The 10, 50 and 90 percentile outcomes of global temperature rise in the
 AVOID scenarios.



581 Figure 2a

Percentage of climate change impacts avoided in the 2100 in various sectors upon moving from an unmitigated A1B baseline to three of our mitigation scenarios in which emissions are reduced at 5% annually after peaking globally in 2016 (red bars, scenario 2016R5L), reduced at 2% annually after peaking globally in 2016 (pink bars) or reduced at 5% annually after peaking in 2030 (orange bars, scenario 2030R5L). Avoided benefits are shown in shades of blue for the same three scenarios. The total economic damages are produced by the PAGE model and refer to the sum of market and non-market impacts (and actually refer to impacts in the 2080s). Error bars represent 10% and 90% estimates for all sources of uncertainty in climate projection and impact estimation (for PAGE model) or the effect of use of a range of downscaling patterns corresponding to the emulation of seven alternative global circulation models (for physically based impacts models).



Figure 2b





- Figure 3a, b Probability distribution of estimated aggregate economic climate change 611
- impacts in the 2080s in an unmitigated A1B baseline as produced by PAGE model. 612
- Estimates refer to the sum of market and non-market impacts and encompass uncertainties in 613
- both climate change modelling and in estimation of damages. Fig 3a refers to equity-614
- weighted estimates and Fig 3b to un-weighted estimates. 615



a. Impacts in 2080, A1B scenario, weighted.



b. Impacts in 2080, A1B scenario, unweighted.

- **Figure 4a** Net present value of abatement costs from 2000 to 2200 in the PAGE2002 model
- ⁶²⁷ upon moving from a baseline A1B scenario to a mitigation scenario in which global
- emissions peak in 2016 and decline at 5% annually thereafter



Figure 4b

- 640 Net present value of avoided impacts from 2000 to 2200 in the PAGE2002 model upon
- 641 moving from a baseline A1B scenario to a mitigation scenario in which global emissions
- 642 peak in 2016 and decline at 5% annually thereafter



Figure 4c Net present value of net benefits (i.e. – avoided impacts minus abatement costs) from 2000 to 2200 in the PAGE2002 model upon moving from a baseline A1B scenario to a mitigation scenario in which global emissions peak in 2016 and decline at 5% annually thereafter

