

Foreword

One hundred and thirty-six countries, covering 83% of global carbon emissions, have committed to net-zero greenhouse gas emission targets in the coming decades, including almost all OECD countries. As the OECD International Programme for Action on Climate (IPAC) has stated, climate risks will only be significantly reduced if net-zero carbon emissions in 2050 are reached. The challenge is turning country commitments and ambitions into actual outcomes and pathways to carbon neutrality.

This report aims to help policy makers fill the gap between targets and required actions in sectors where reaching climate neutrality will be particularly challenging. It goes further by identifying which specific regions will be most affected by the transformations needed in these sectors, including through the prism of socio-economic impacts and related infrastructure needs.

Taking climate action to the regions can help us gain the momentum we need and make the transition just. Many subnational governments and cities have set more ambitious targets than their national governments, highlighting how important they are to scale up action.

Emissions are often concentrated in some regions. As the *OECD Regional Outlook 2021* showed, in most OECD countries, industrial emissions per capita in a few large subnational regions are a high multiple of the national average.

The impact on jobs also differs strongly. The share of jobs in sectors at risk of job loss is twice the national average or more in large subnational regions.

The socio-economic context also differs across regions. Some are better able to undertake needed transformations and deal with them than others, for example because their firms are more technologically advanced or their workers better trained.

This report presents data analysis on all of these dimensions for European regions, reflecting the availability of consistent data for European Union (EU) countries, including from the EU's emission trading system.

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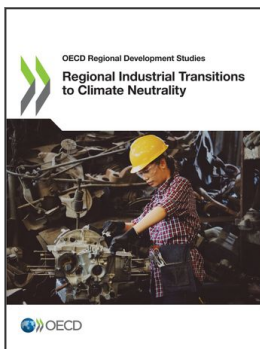
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The report was co-ordinated and co-authored by Andrés Fuentes Hutfiler under the supervision of Rüdiger Ahrend, Head of the Economic Analysis, Statistics and Data Division of CFE. Co-authors are also: Daiana Derecichei and Jolien Noels (Chapter 1), Jolien Noels and Valentina Ventricelli (Chapter 2), Christine Krüger, Ansgar Taubitz, Frank Merten (Wuppertal Institute) and Ronald Halim (Equitable Maritime Consulting) (Chapter 3), and Jaebum Cho, Daiana Derecichei, Jolien Noels and Valentina Ventricelli (Chapter 4).

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