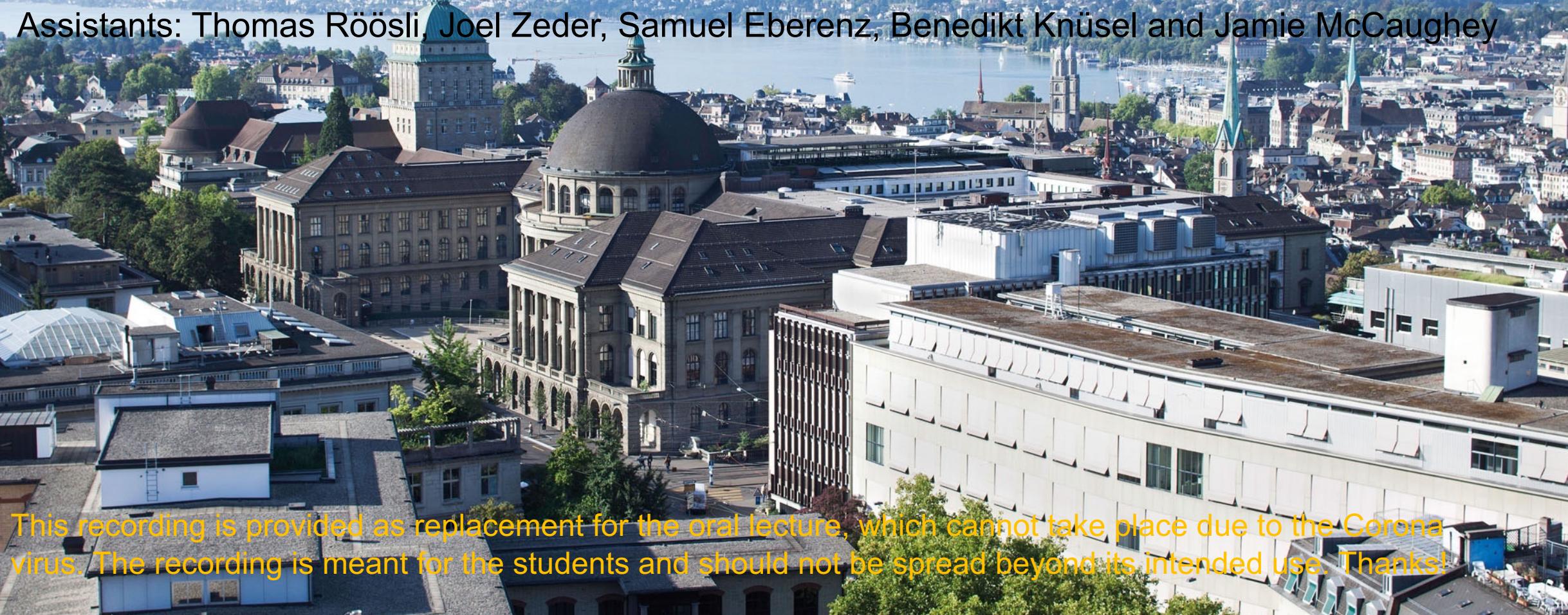


Climate Change Uncertainty and Risk: from Probabilistic Forecasts to Economics of Climate Adaptation

David N. Bresch, IED ETH & Reto Knutti, IAC ETH

Assistants: Thomas Röösli, Joel Zeder, Samuel Eberenz, Benedikt Knüsel and Jamie McCaughey



This recording is provided as replacement for the oral lecture, which cannot take place due to the Corona virus. The recording is meant for the students and should not be spread beyond its intended use. Thanks!

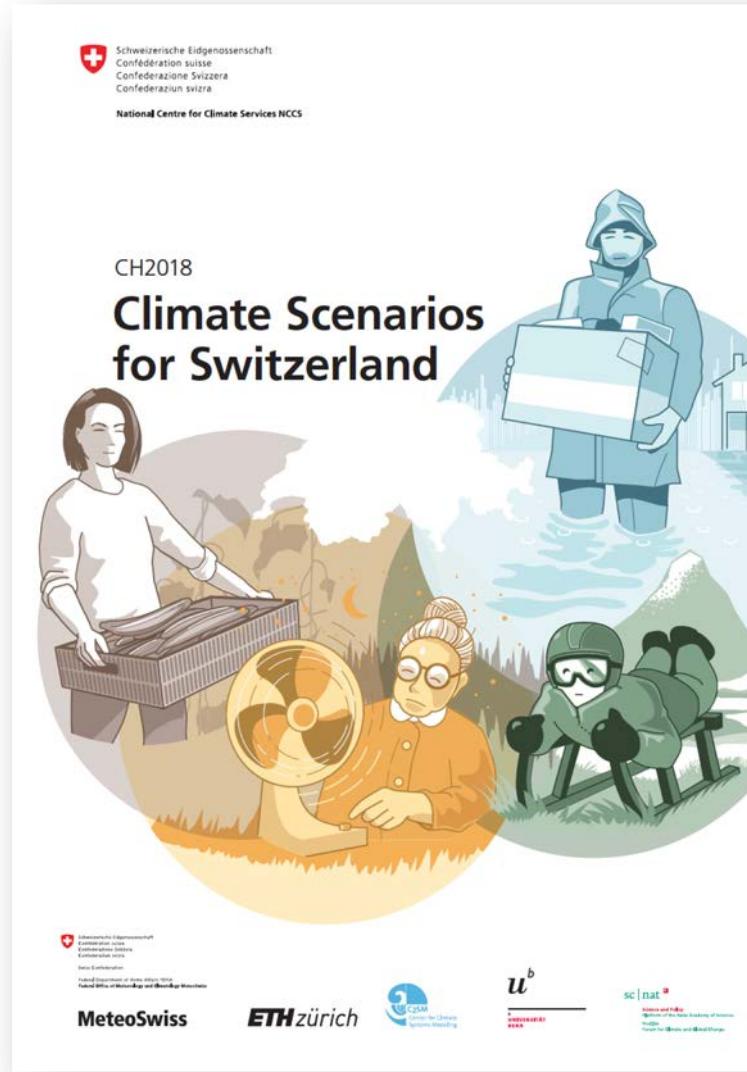
Schedule

24.02.2020	(1)	Logistics, Introduction to probability, uncertainty and risk management (RK, DB)
02.03.2020	(2)	Predictability of weather and climate (RK) Exercise 1 (toy model)
09.03.2020	(3)	Detection/attribution (RK)
16.03.2020	(4)	Model evaluation & calibration (RK) Exercise 2 (toy model)
23.03.2020	(5)	2°C target and adaptation in UNFCCC (RK, DB)
30.03.2020	(6)	Climate change and impacts, use of scenarios (RK, DB) Exercise 3 (toy model), preparation of presentation
06.04.2020	(7)	Probabilistic risk assessment model and some insurance basics (DB) Exercise 4 (introduction to CLIMADA)
13.04.2020		Ostermontag (no course)
20.04.2020	(8)	Interactive scenario creation (DB) → <u>shorturl.at/kuwWZ</u>

Schedule

27.04.2020	(9)	Basics of economic evaluation and economic decision making (DB) Exercise 5 (impacts)
04.05.2020	(10)	The cost of adaptation - in developing and developed regions (DB)
11.05.2020	(11)	Shaping climate-resilient development – valuation of a basket of adaptation options (DB) Exercise 6 (adaptation measures, preparation of your own <i>small extension</i> ¹)
18.05.2020	(12)	Climate services and adaptation in Switzerland Exercise 7 (Swiss climate scenarios CH2018 for adaptation)
25.05.2020	(13)	Final discussion (DB, RK)

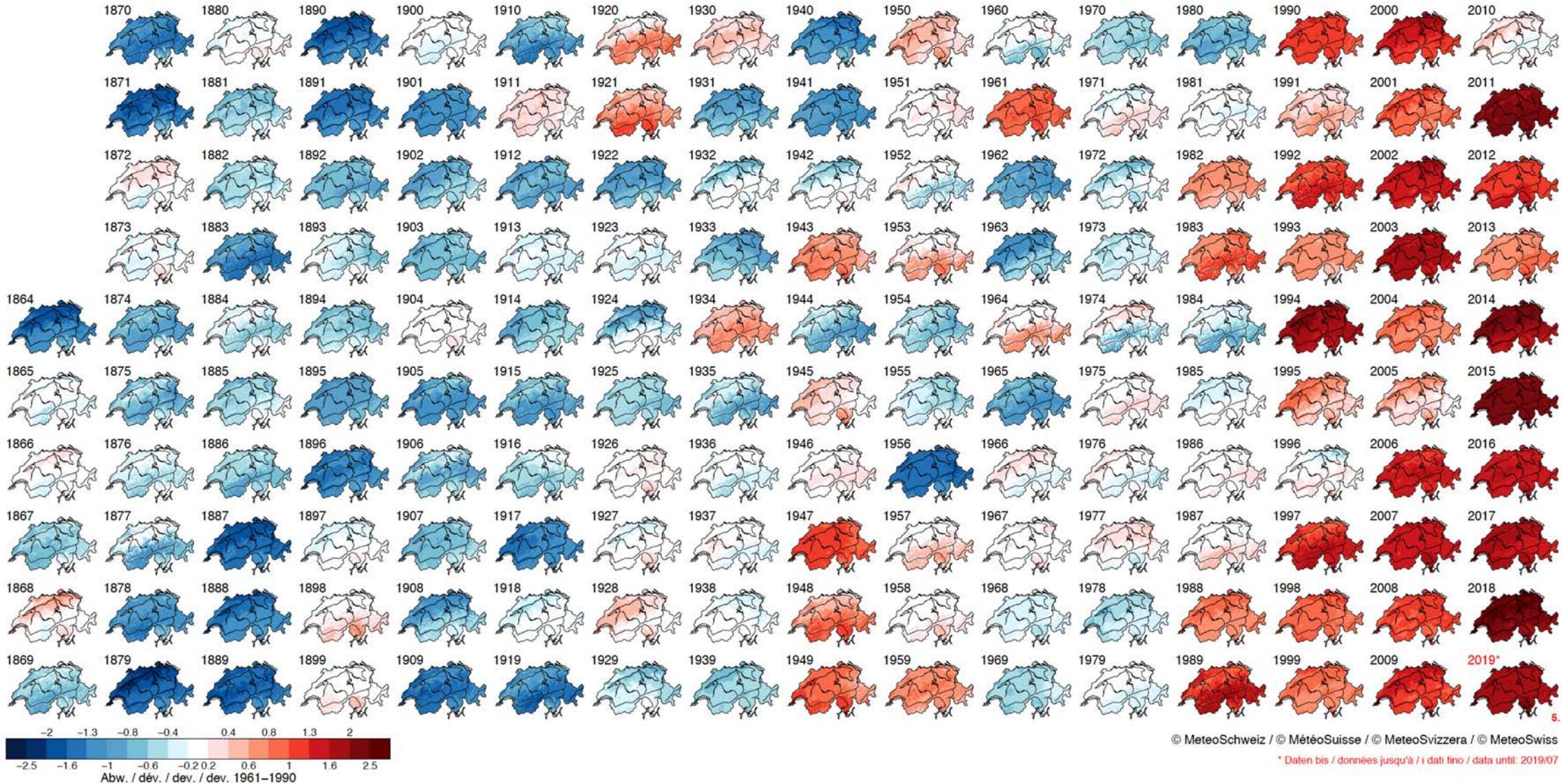
Pre-read for today



[CH2018 - Climate Scenarios for Switzerland \(PDF, 6 MB\)](#)

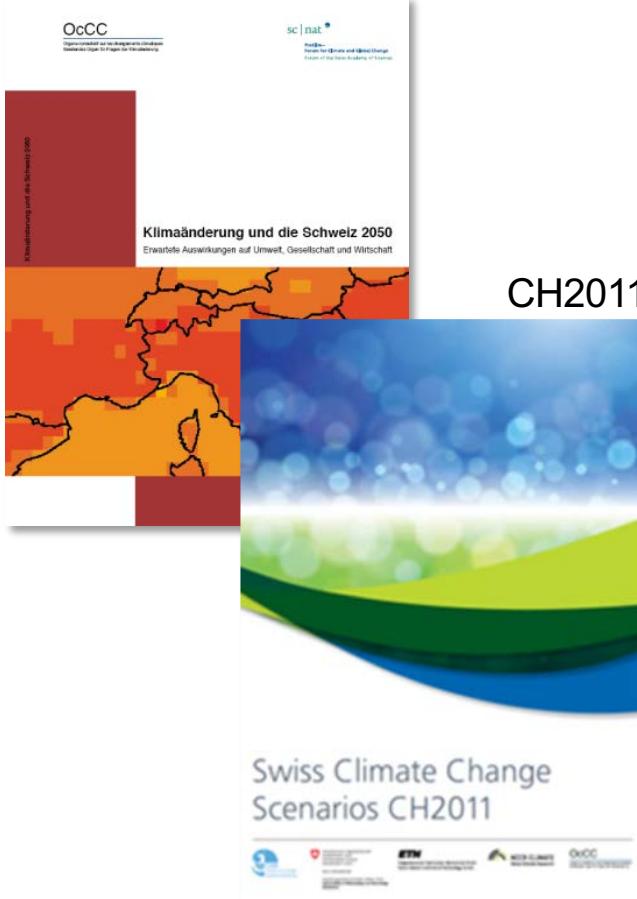


It is getting warmer in Switzerland



New Swiss Climate Scenarios CH2018

CH2007



CH2011



CH2018



Switzerland 2060 (business as usual)



Dry
Summers



Heavy
Precipitation



More
Hot Days



Snow-scarce
Winters

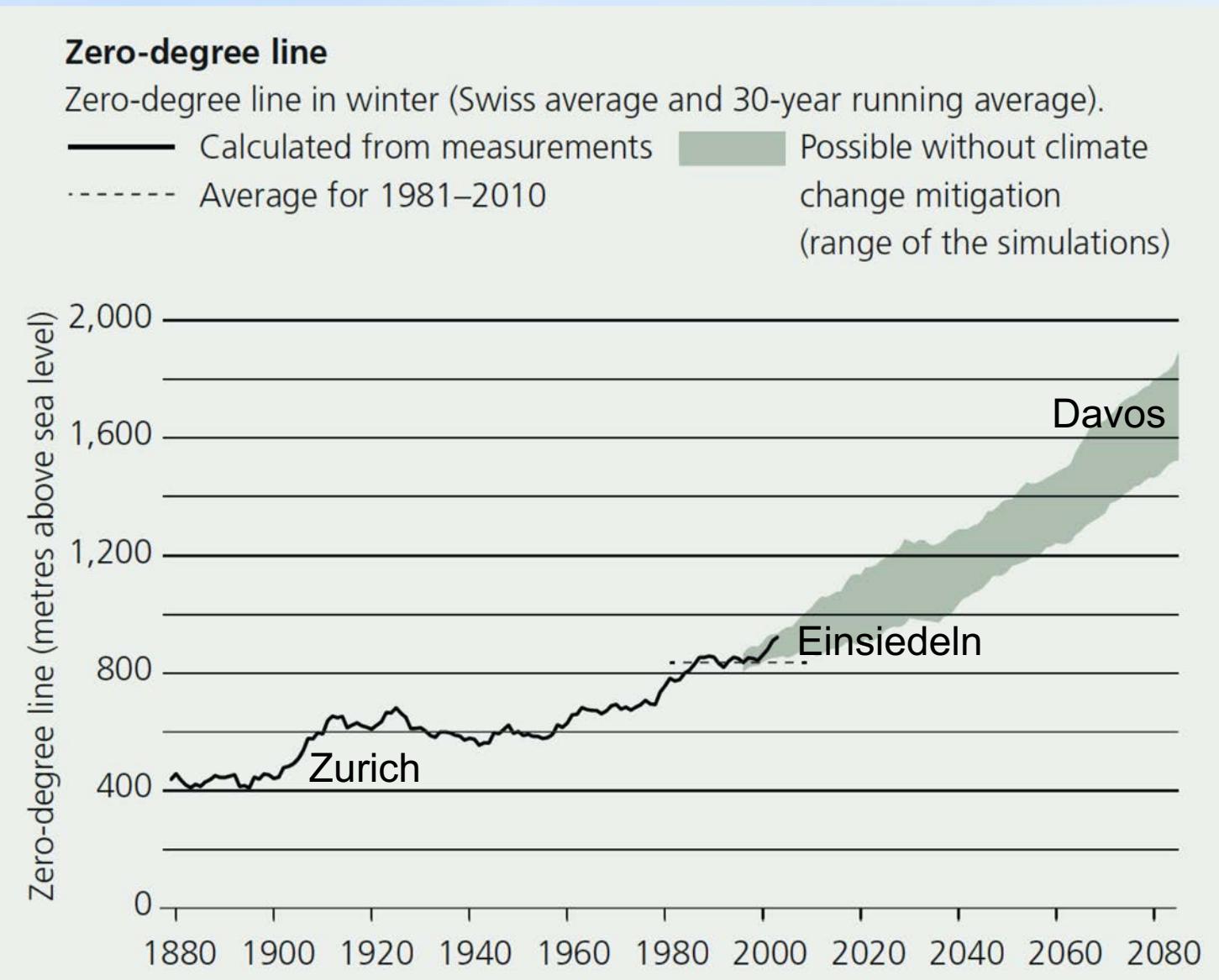
Snow-scarce Winters

Increase in elevation of
zero-degree line

Snow becomes a rarity



Snow-scarce
Winters



Heavy Precipitation

Extremes intensify

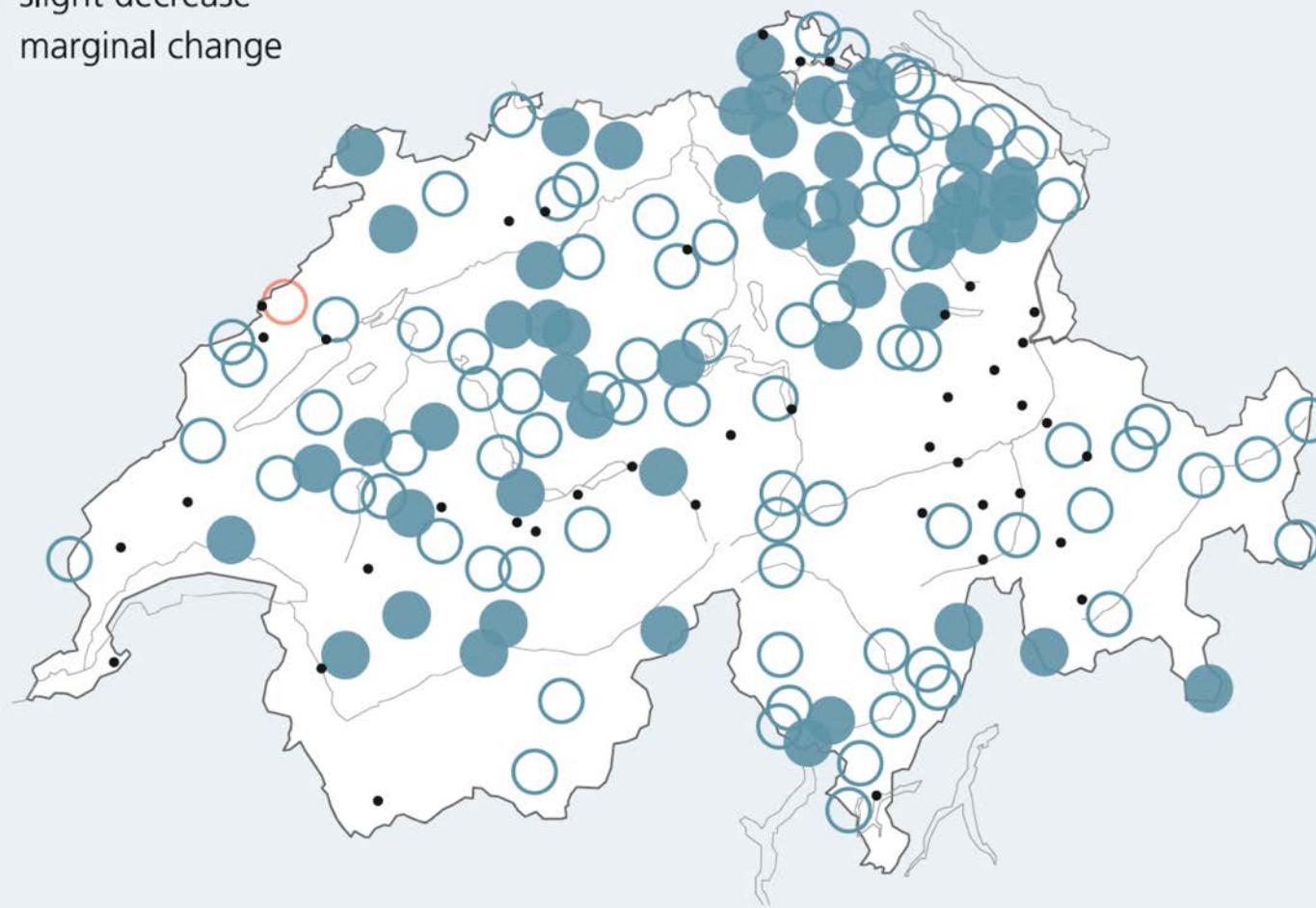


Heavy
Precipitation

31 to 0 for Trend in Heaviest Single-day Precipitation

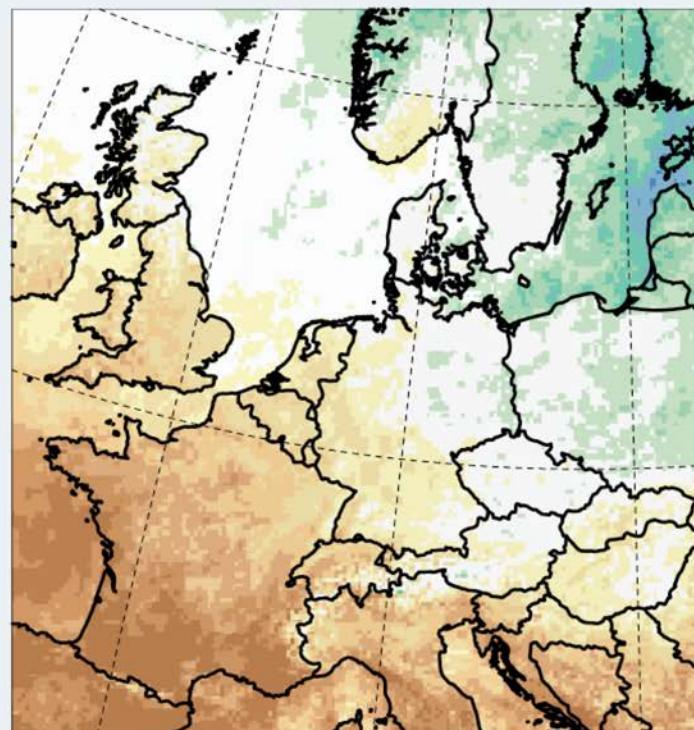
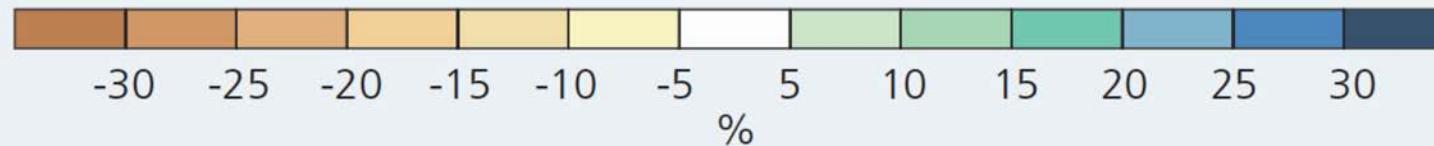
Observed trend in precipitation amounts from 1901 to 2014.

- significant increase
- slight increase
- slight decrease
- marginal change

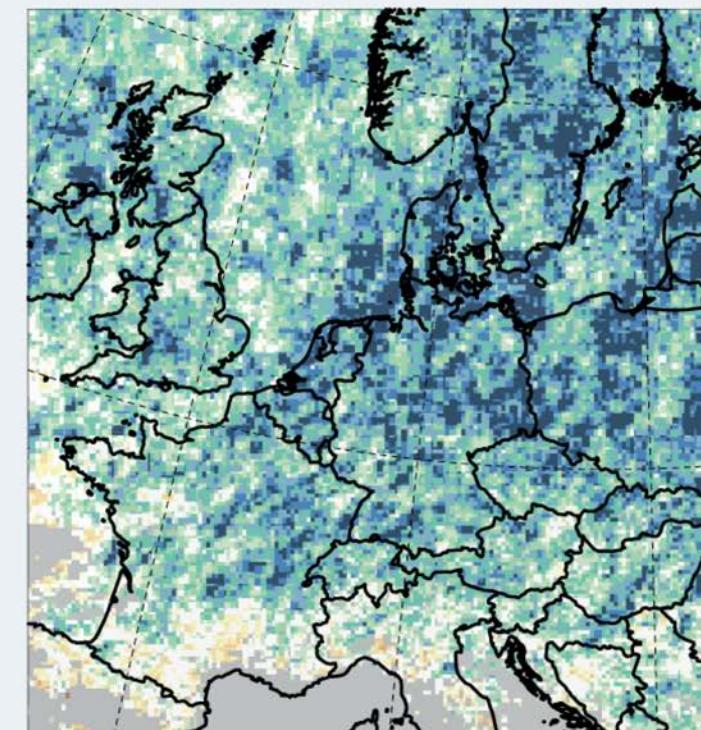


Change in average and extreme precipitation in summer

Change around 2060 without climate change mitigation,
in comparison to 1981–2010 (30-year averages).



Average summer precipitation



100-year single-day
precipitation event

Dry Summers



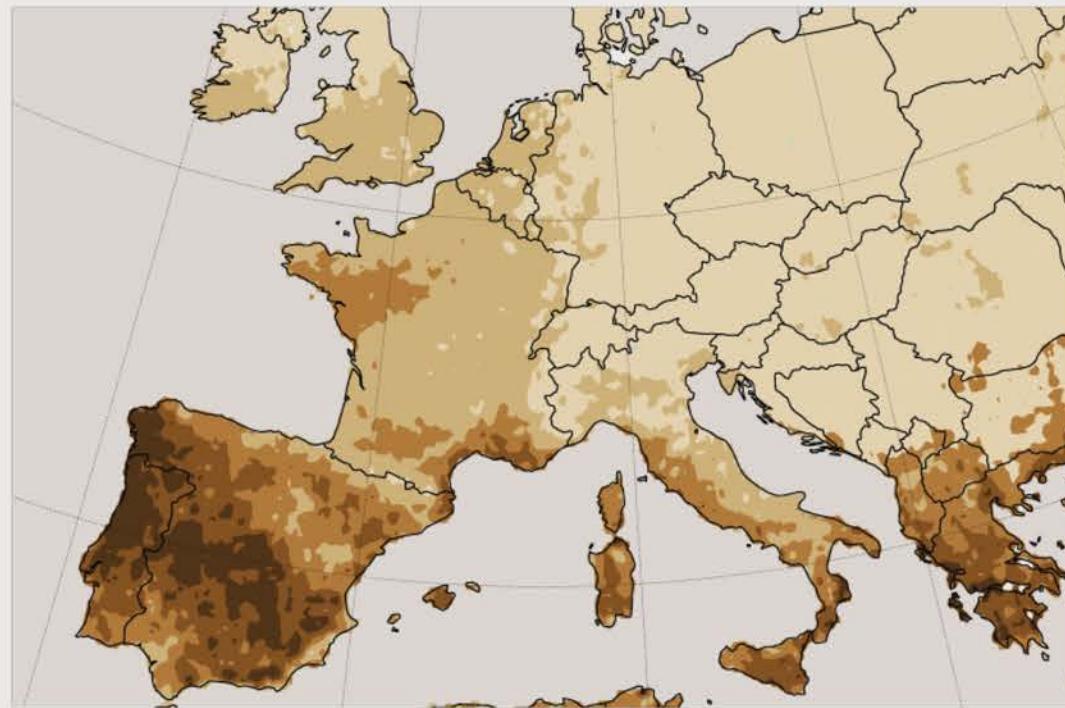
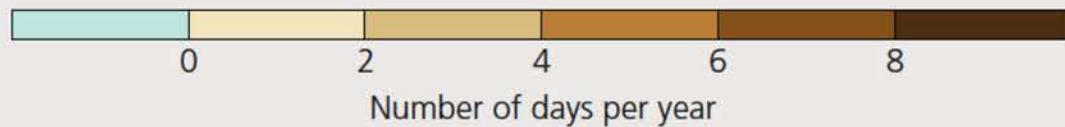
Dry
Summers

Less Precipitation –
More Evapotranspiration –
Dryer Soils

Less Precipitation in Summer

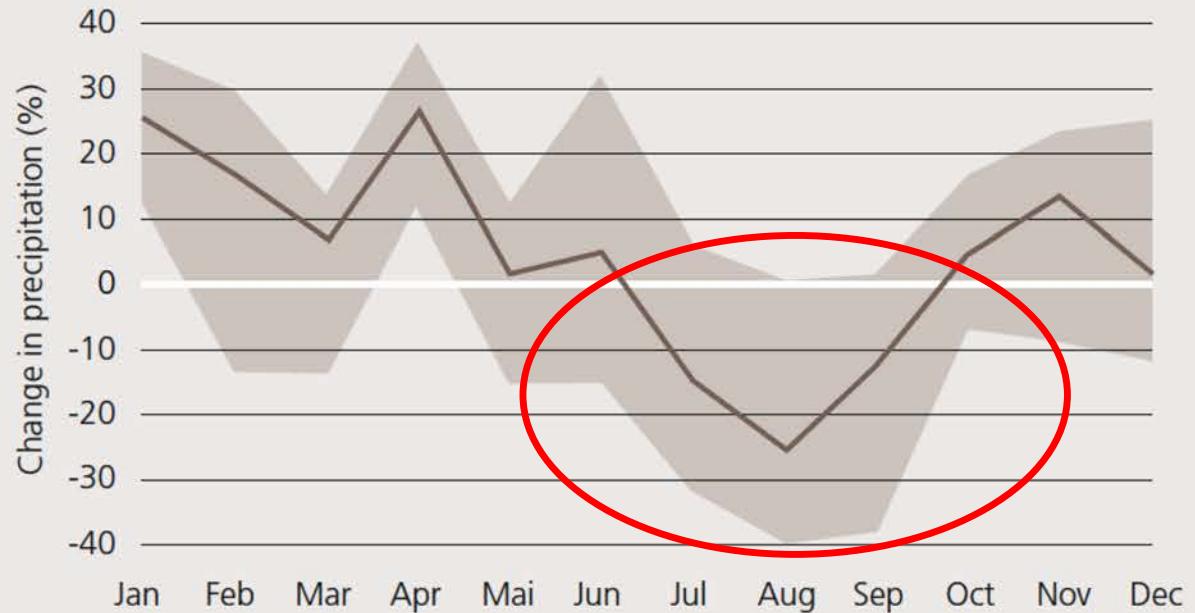
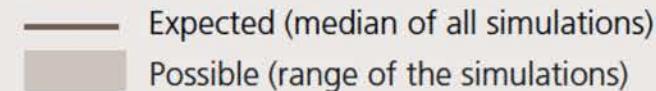
Change in the longest dry period in summer

Expected change around 2060 without climate change mitigation, in comparison to 1981–2010 (30-year averages).



Change in precipitation in La Chaux-de-Fonds

Change over the course of the year around 2060 without climate change mitigation, in comparison to 1981–2010 (30-year average).



More Hot Days

More intense Heat Waves

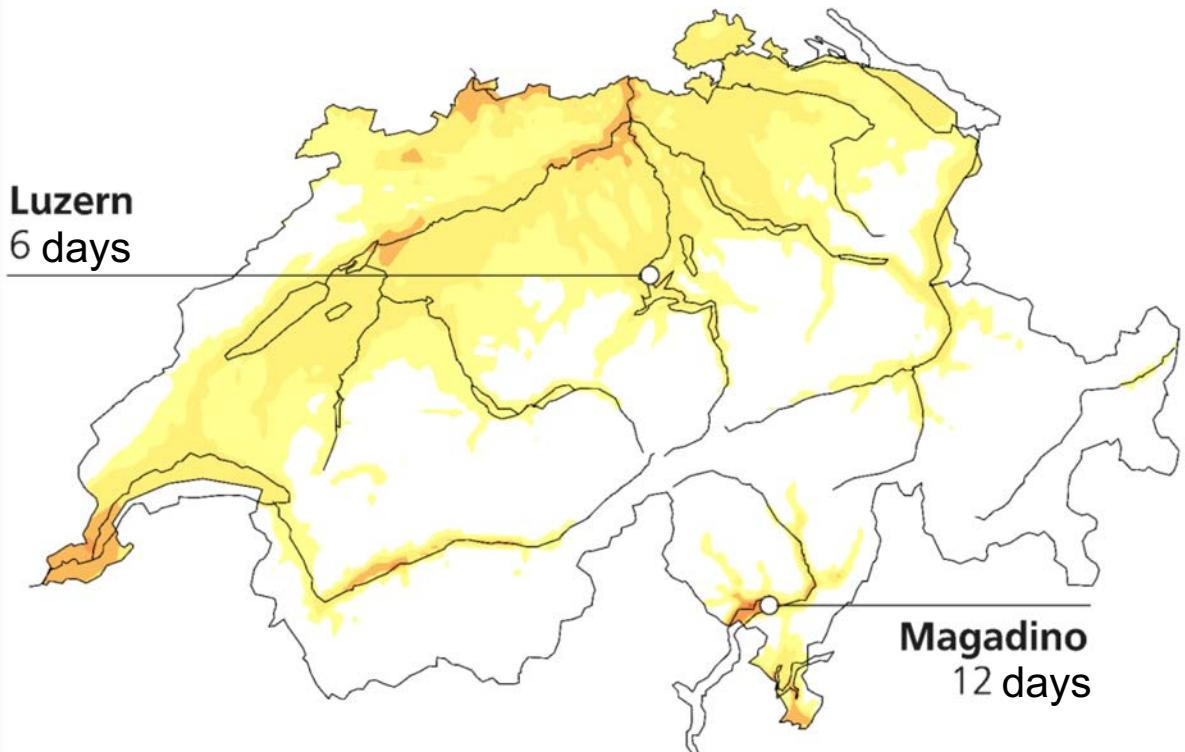
3-5 times more Hot Days



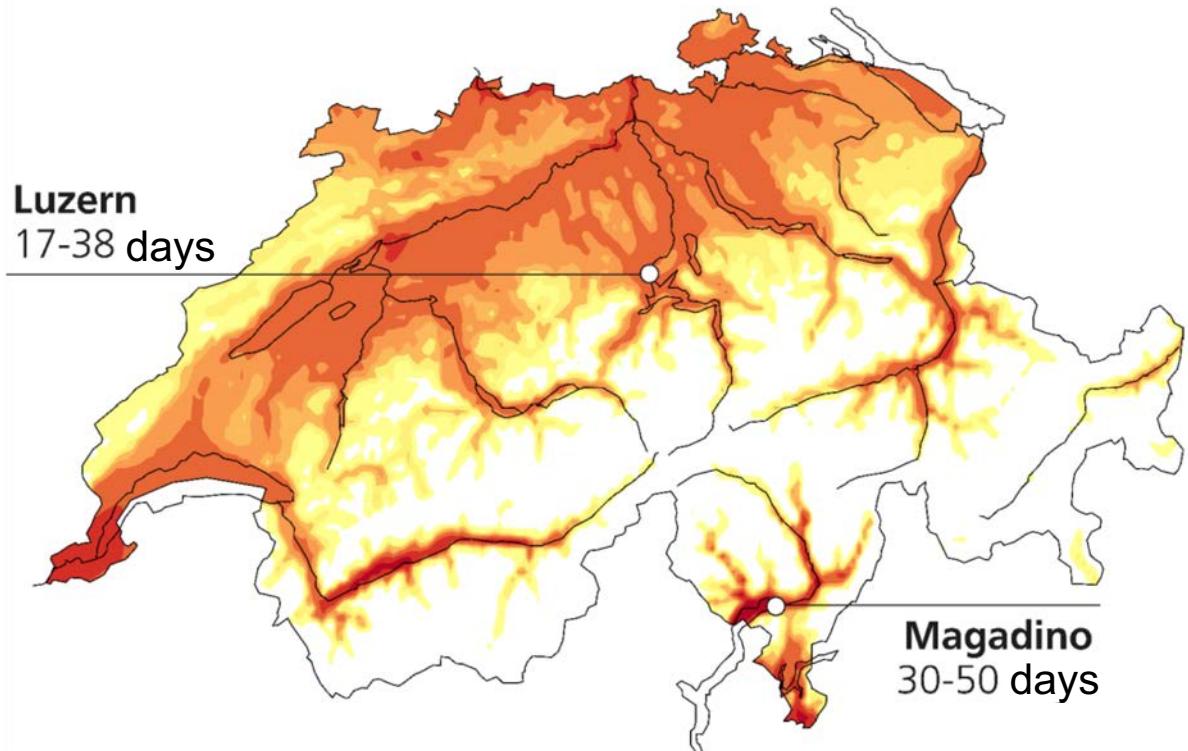
More
Hot Days

Subsantly more Hot Days

Today



'business as usual' 2060



Heat wave 2018



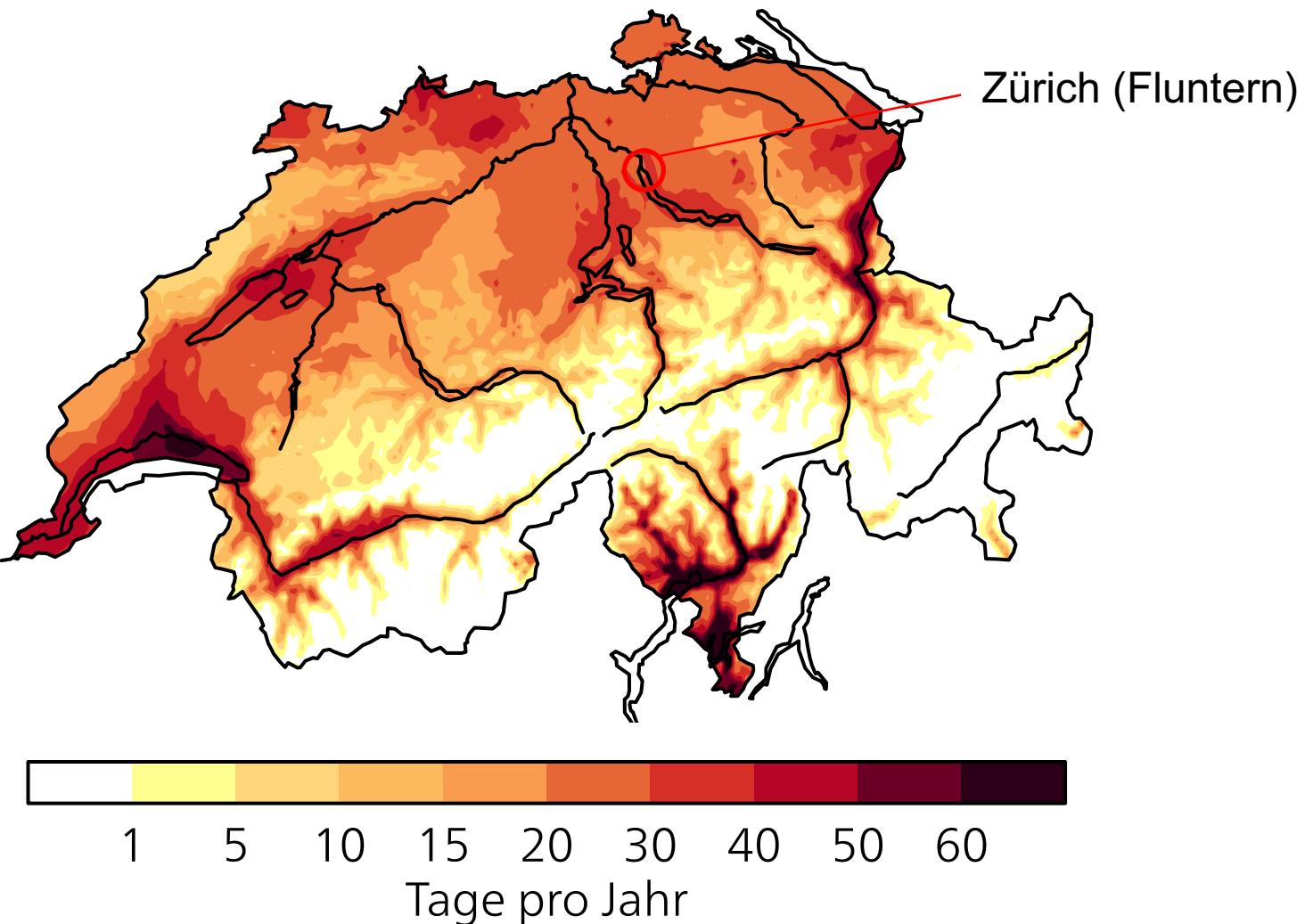
Heat wave 2060?



Tropennächte

2085
Jahresmittel

RCP8.5
Obere Schätzung



Measures to deal with tropical nights (100 elderly in the home)

Air conditioning (per unit, i.e. per person)	2'799.-
Life expectancy of air conditioning unit	5 years
Unit cost per year thus	560.- per affected person
Electricity and maintenance per day	12.- per tropical night day
Cost of insulation of elderly home	2'200'000.-
Life expectancy of insulation	50 years
Cost of insulation per year	44'000.-

Question: Which measure is more cost effective? → Excel

	inhabitants	100			
tropical nights	% affected	affected inhabitants	air conditioners	<i>aircon all</i>	insulation
2	0.1%	-	-	58'380	44'000
4	0.6%	1	608	60'780	44'000
10	5.3%	5	3'399	67'980	44'000
25	37.9%	38	32'672	85'980	44'000
30	55.3%	55	50'589	91'980	44'000
40	100.0%	100	103'980	103'980	44'000
air conditioning unit		2'799			
life expectancy air conditioner		5 years			
power and maintenance per day		12			
cost of aircon unit per year		560			
safety margin additional units		0%			
cost insulation multi-family		220'000			
cost insulation elderly home		2'200'000			
life expectancy insulation		50 years			
cost of insulation per year		44'000			

Additional measure

Day in the Alps per person per day	100.-
Transport costs	25.-

(When) is this measure more effective ? → Excel (add)

	inhabitants	100						
tropical nights	% affected	affected inhabitants	air conditioners	<i>aircon all</i>	insulation	mountain stay affected	mountain stay all	
2	0.1%	-	-	58'380	44'000	-	22'500	
4	0.6%	1	608	60'780	44'000	425	42'500	
10	5.3%	5	3'399	67'980	44'000	5'125	102'500	
25	37.9%	38	32'672	85'980	44'000	95'950	252'500	
30	55.3%	55	50'589	91'980	44'000	166'375	302'500	
40	100.0%	100	103'980	103'980	44'000	402'500	402'500	
air conditioning unit		2'799						
life expectancy air conditioner		5 years						
power and maintenance per day		12						
cost of aircon unit per year		560						
safety margin additional units		0%						
cost insulation multi-family		220'000						
cost insulation elderly home		2'200'000						
life expectancy insulation		50 years						
cost of insulation per year		44'000						
mountain stay per person per day		100						
transport forth & back		25						

Forming groups and how to proceed

Four groups of n students each in zoom breakout rooms, each group assigned to one ‘story’
(Dry Summers, Heavy Precipitation, More Hot Days, Snow-scarce Winters).

Proceed along Economics of Climate Adaptation (ECA) in a back of the envelope fashion (milchbüchleinartig), i.e., quantify risk today, estimate effect of (economic) development and impact of climate change by 2060, informed by 2018 data and a relationship between hazard intensity and impacts(s), likely informed by a recent event. Figure effect of your choice of an adaptation option(s) to reduce impact... and if time remains, also guesstimate the cost of your option(s). Assume a linear development over time and choose a reasonable discount rate to bring it to a net present value.

Preparation until 10h. In the first five minutes: Share view on assigned theme (Dry Summers, Heavy Precipitation, More Hot Days, Snow-scarce Winters), second five minutes: select a sector (agro, urban productivity, insured property, artificial snow, ...), then get going (organize breaks yourself). 10:15-10:30h prepare one slide (Schaubild), starting 10:30h with presentations, 2 min/group, followed by discussion per theme (Dry Summers, Heavy Precipitation, More Hot Days, Snow-scarce Winters)

Some resources you might start from on the next slide.

Potential sources

Heat - work productivity

<https://link.springer.com/article/10.1007/s00484-018-1530-6>

<https://www.nature.com/articles/nclimate2623?proof=true&draft=journal>

<https://www.nature.com/articles/nclimate1827>

Drought - agriculture

https://de.wikipedia.org/wiki/D%C3%BCrre_und_Hitze_in_Europa_2018#Landwirtschaft

Snow – and lack thereof

https://www.researchgate.net/profile/Christian_Rixen/publication/228663378_Klimawandel_und_Wintertourismus_Okonomische_und_okologische_Auswirkungen_von_technischer_Beschneiung/links/0fcfd50804153a598100000.pdf

Flood

<http://www.planat.ch/de/wissen/statistik/>

<https://www.wsl.ch/de/naturgefahren/hochwasser-und-ueberschwemmung/unwetterschadens-datenbank.html>

Global: <https://www.nature.com/articles/nclimate2617>

Europa: http://assets.climatecentral.org/pdfs/EuropeanFloods_WWA_RapidAttribution_June2016.pdf



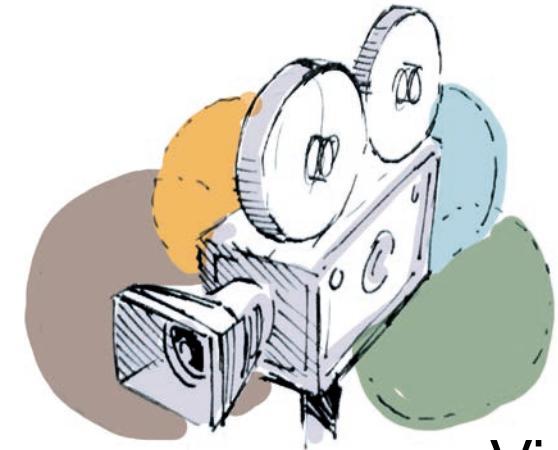
CH2018 products www.nccs.ch



Technical report



Brochure



Videos



Website

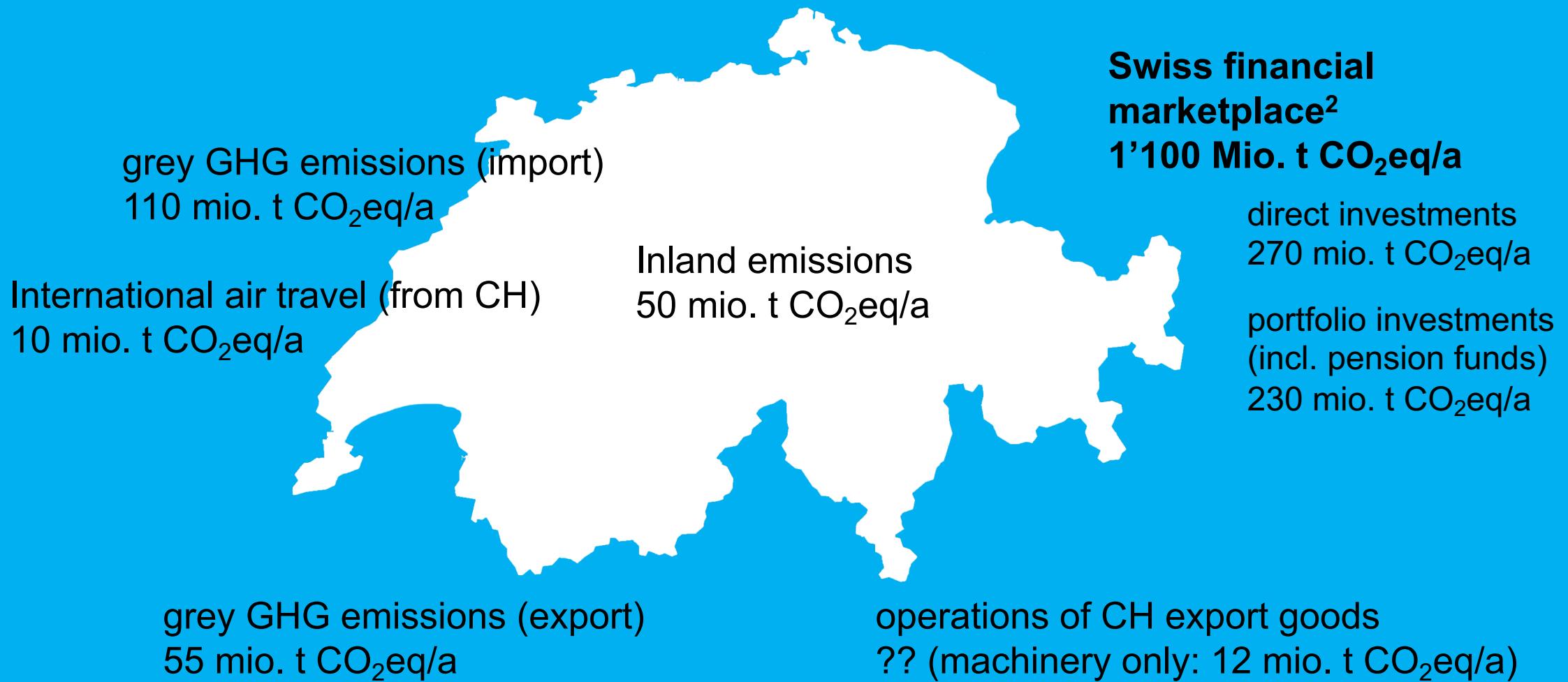


Webatlas



Data

Swiss greenhouse gas (GHG) emissions¹



¹ Source: Klima-Masterplan Schweiz, Umweltallianz, <https://www.wwf.ch/sites/default/files/doc-2017-09/2016-05-Studie-Klima-Masterplan-Klima-Allianz.pdf>

² Would the Swiss financial market place be a country, it would rank 6th largest global emitter (after China [10'354], USA [5'414], India [2'274], Russia [1'617] and Japan [1'237])