

Harnessing the European Green Deal to address the Climate Crisis: Anticipating Risks, fostering Resilience

Keynote Address by Dr. Camilla Bausch on the occasion of the Think2030 Conference 2020



Transcript: Keynote Address

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Welcome to our Conference and idea lab.

I am proud to welcome participants from every single EU Member State – and many other countries around the world.

This conference shows how the EU and the world come together in a shared wish to create pathways to a climate-proof future. We come together through the means of digital technology, enabling hundreds of participants to join the event with a relatively low carbon footprint.

Obviously, when we started planning for this conference, we had a different event in mind. We wanted to invite you to the wonderful city of Berlin, my hometown. This city proudly represents the healed scars of its division and one can still marvel over its peaceful unification. Berlin is a prime example of how people can bring about fundamental change, when they are devoted to their cause. Nevertheless, the reunification of Germany also shows that fundamental change is a long and sometimes cumbersome process.

Today, within Germany, Berlin is among the hotspots for COVID-19. The Corona virus forces us to think anew and change our ways. This pandemic has caused thousands of tragedies and deaths. We send all good wishes for a speedy and complete recovery to those suffering from it, and our heartfelt condolences to those who have lost a loved one.

We experience restrictions of our freedoms, economic challenges and the many other insecurities the pandemic has brought about. Just a few days ago, the EU Commission underlined in its economic forecast the "very severe economic and social consequences" of the pandemic. The EU economy is predicted to contract by more than 7% in 2020. And while it is expected to grow again in 2021, the unemployment rates might rise not only this year, but also in the year to come. Many countries around the world are facing similar or even more severe impacts.

People are working hard to overcome this crisis and its economic repercussions, but also to understand what it means for our economy, our society, our way of life. Across Europe, the pandemic has shown that we, as societies, can change our ways on short notice. It has shown that it is possible to overcome political and economic barriers in the united determination to find solutions. And the pandemic has underscored the importance of scientific advice for policymaking. However, it has also shown our weaknesses: the fragility of our systems, the risk of falling back into nationalistic patterns, the vulnerability of the weak and marginalized groups in our societies.

Most, if not all, of these insights are also relevant for our efforts to address other crises, not least environmental crises like biodiversity loss and climate change. We must integrate the insights and ongoing changes, the far-reaching policy responses as well as the opportunities related to the billions of euros of recovery money in our response to these crises. We have to build forward better. We have to build a sustainable, climate-proof future.

At our conference, we will address many dimensions of the climate crisis.

And this is urgent:

- ▶ The climate change impacts become more evident every year we remember the heart-breaking pictures of koalas rescued from the Australian wildfires, or the ominous orange sky caused by California's forests burning.
- By now, many of us will have experienced unusual droughts, storms or heatwaves in our countries.
- After two unusually dry summers, of the 440,000 trees that line Berlin's streets, almost one in three shows signs of serious damage inflicted by drought.
- Scientific predictions are turning into realities at an alarming rate. Just recently, measurements by researchers at Peking University and Ohio State University confirmed that the Gulf Stream circulation the very heartbeat of our ocean is slowing down.

In the Paris Agreement, the world committed to stay well below 2°C global temperature increase and pursue efforts to limit the increase to 1.5°C. However, the most recent UNEP gap report of 2019 underlines that: "countries collectively failed to stop

the growth in global GHG emissions" and that "there is no sign of GHG emissions peaking in the next few years [...]". It also warns us that "every year of postponed peaking means that deeper and faster cuts will be required."

It is evident: More decisive action is needed - and it is needed now.

The Gap Report also points to opportunities on how to ramp up mitigation efforts. With respect to Europe, it advises us, for example, to:

- refrain from investment in fossil-fuel infrastructure.
- step up efforts to phase out coal-fired plants,
- define a strategy for zero-emission industrial processes, and
- shift towards increased use of public transport in line with the most ambitious Member States.

In the face of such alarming trends and urgent calls for action, it is reassuring to know that there have also been positive developments:

There are the advances in technology and business. Just think about the plummeting prices of renewable energies and the soaring investments in this field. New business models have emerged around storage and electric mobility. There have been serious debates on the impacts of the climate crisis at the World Economic Forum, successful divestments, increasing awareness of climate risk management in the financial sector. And there is a groundswell of public pressure, as the next generation is taking to the streets to fight for a good future. They are reminding governments of the risk of losing public support if too little is done on climate change.

We are also witnessing promising moments and some movement in the political arena:

The US now has a President-Elect willing to re-engage in climate policy – promising to make the US carbon neutral by 2050. With this promise, Joe Biden is joining a huge chorus of countries around the world.

In the EU, the President of the EU Commission, Ursula von der Leyen, has made the European Green Deal her flagship project. She, as a Conservative, made the climate crisis the leading topic of her political program, with the ambition of systemic change and the aim of sustainable growth and leadership. Her announced plan is

to build an economy that is "sustainable, cleaner, safer and healthier." A key element is an overarching Climate Law with the ambition – as von der Leyen puts it – to make Europe the first climate neutral continent in the world.

Despite the pandemic, the EU Commission remains committed to the EGD – which, in itself, is an achievement as there were calls to water down and delay action under these circumstances. The pandemic has not even caused much delay in the plans and pathways. There has been a sweep of policy action, for example, on biodiversity, circular economy, pollution, financing and an industrial strategy. And if everything goes according to the EU Commission's action plan, we can expect a regulatory wave in the coming 15 months, including the decision on an increased EU 2030 climate target, a revision of the EU emissions trading scheme, work on the energy efficiency directive, the renewable energy directive, the performance standards for cars and the LULUCF regulation. We can expect proposals to revise the energy taxation directive as well as a review of the state aid guidelines. – I'll stop here for the sake of time.

Now the key question is: Will all of this action taken together be enough to deliver on Europe's high aspiration: A strong, climate-neutral and resilient Europe, as a global example of how prosperity, social inclusion and environmental sustainability can be reconciled?

How likely is it that the broad overarching vision of the European Green Deal will translate into sufficient progress on the ground, in all the various processes and dossiers into which its objectives will need to be integrated? Will the EGD develop enough momentum to overcome the resistance of incumbents with their vested interests, and the inertia of processes and institutions? Can it be successful considering the tight timeline?

As, admittedly, many of these policy areas are not really that new, we have to ask ourselves: Why did we not succeed in the past? Why is it still so challenging? And: What is different now?

I see three important reasons to be cautiously hopeful:

- For the first time, a carbon-proof future is the guiding principle for all policy action. It is not seen as merely an annex to other policies, and especially not an antagonistic issue in relation to economic and industrial policy, but a systemic driver for innovation and economic stability. This is backed by the economic trends and innovation I already mentioned.
- Second, there has never been as much urgency as today.
- ▶ Third, there is solid support for action. In a Eurobarometer poll of 2019, 92% of respondents and more than eight in ten in each Member State agree that greenhouse gas emissions should be reduced to a minimum while offsetting the remaining emissions, in order to make the EU economy carbon-neutral by 2050.

But despite all this: nobody should expect success to come easy.

A prime example of the complexity of the path to success is the current status of reforming the Common Agricultural Policy. This is a policy area where increasing the environmental ambition is critical for solving the climate and biodiversity crises. But an analysis by the European Environmental Bureau sees it as "strongly undermining the EGD". The political process shows how difficult change is when incumbents push to maintain the status quo. It also shows how difficult it is to translate Green Deal targets into real action on the ground.

We face complex systemic challenges and have to translate them into new approaches, new everyday practices and new business models. We have to find much better ways to promote behavioral change - to advance not only the science and the policies, but to help all those on the ground to make change happen.

Do we already know how to make this happen? Not well enough!

In a 2020 paper on climate research funding, Overland and Sovacool find that "between 1990 and 2018, the natural and technical sciences received 770% more funding than the social sciences for research on issues related to climate change. Only 0.12% of all research funding was spent on the social science of climate mitigation".

This has to change if we want to understand how to transform as societies.

I have outlined some of the questions and issues we will discuss over the next two days. We will take a broader look at the current situation in our opening panel, a detailed look at specific topics during our working groups, and during our closing panel we will be able to outline what Germany might contribute to solving the climate crisis and strengthening the European Green Deal. After all, we are in the important final six weeks of the German EU Council Presidency.

We are proud to have assembled shapers and pioneers from science and policy-making, business and civil society in this virtual room. Together – and only together – can we identify promising pathways to this climate-neutral, resilient, sustainable future. We have to combine social, technological and political innovation, power, creativity and change. In our workshops, we will discuss many options and forward-looking ideas.

This is why we come together here and for the next two days: To advance our collective thinking and create new ideas to make the European Green Deal a pathway to a future we want to live in. Thank you for joining us in this endeavor.

And: Enjoy the conference.

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