
Chatham House COP26 Diplomatic Briefing Series: Climate Ambition in Europe and its Potential Global Impact

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Introduction

The second discussion in the Chatham House COP26 Diplomatic Briefing Series – ‘Climate Ambition in Europe and its Potential Global Impact’ – took place on Monday 17 February 2020 at Chatham House. The event was chaired by Jill Duggan, Associate Fellow with the Energy, Environment and Resources Programme of Chatham House. The panel consisted of:

- Jacob Werksman, Principal Adviser to the Directorate-General on Climate Action, European Commission
- Imke Lübbecke, Head of EU Climate and Energy Policy, WWF European Policy Office
- Simon Petrie, Head of International Climate Strategy – Europe, UK Department for Business, Energy and Industrial Strategy
- Jen Austin, Policy Director, We Mean Business Coalition.

The event was attended by diplomats and participants representing the UK government and expert civil society organizations. Please note that this event was held before the COVID-19 outbreak reached its current global scale, and that therefore no reference was made to the outbreak’s potential impact.

Key messages

- The announcement of the EU’s 2050 climate neutrality target and the European Green Deal has further strengthened the view that the continent is a global climate leader. This potentially sets an early ambitious example to others in the run-up to the 26th Conference of the Parties (COP26).
- However, for the targets to be truly transformative, policy coherence needs to be ensured and the targets translated into clear policies with strong backing from the European Parliament and the Council.
- Encouraging increased ambition in others in the run-up to COP26 will be critical to efforts to strengthen the multilateral process through climate diplomacy. So too will be the timing of key moments, such as the expected announcement by the EU and the UK of their updated Nationally Determined Contributions (NDCs).
- The EU’s early commitment to an ambitious 2030 target is important in facilitating a successful outcome at COP26, as well as for mitigating business risk and fostering society-wide support for climate action in the long term.

The European Green Deal and the 2050 climate neutrality target

Jacob Werksman opened his remarks by introducing the European Green Deal with, at its core, the EU’s 2050 climate neutrality target. Key aspects of this are:

- ensuring that the transition to a low-carbon economy is delivered in a socially just manner and considers the impact on communities, including those dependent on the production of fossil fuels;
- considering aspects beyond climate change, including biodiversity, the circular economy, agricultural policy and land management; and
- implementing an ambitious growth and investment strategy, which includes mobilizing €1 trillion in investments over the next decade, including by targeting investments into special funds that stimulate innovation and support just transition.

Werksman further highlighted the local, regional, national and global levels of the European Green Deal. At local level the European Climate Pact – the Commission’s new strategy to reach out to all the stakeholders affected by the low-carbon transition – will ensure that all stakeholders are involved from the outset in helping to design the policies that will be rolled out to support the transition. At regional and national levels, the European Green Deal will be strengthening the member states’ targets and building on policies already in place, but also moving into sectors where there is less experience, including energy efficiency in buildings and agricultural and land-use policies. At global level, the European Green Deal will involve the EU leading by example in advancing its climate-neutrality commitment; strengthening the multilateral process through green diplomacy; and focusing efforts on bilateral cooperation, through development cooperation, standard-setting and trade agreements.

Imke Lübbecke welcomed the European Green Deal as ambitious and a potential ‘game changer’, while highlighting that the Green Deal was not solely invented by the European Commission. It was, she noted, reached through pressure from the public – in particular, the Climate Youth movement, the decision that voters took in the European elections reflecting support for green programmes, as well as work by civil society. Lübbecke stressed the importance of political will and the requirement for strong support from the European Parliament that would ultimately determine whether the proposed deal would be truly transformative. For the EU climate law, Lübbecke highlighted the need for the law to deliver not only the commitment to climate neutrality, but also policy coherence across all sectoral legislation. In this context she cautioned about the risk of getting locked into further fossil fuel investments, alluding to the EU’s €29 billion worth of planned gas projects, recently approved by the European Parliament. Furthermore, she emphasized the role of nature-based solutions and ecosystem restoration in Europe for reaching climate neutrality.

The ‘Glasgow deliverables’

The speakers agreed on the significant role for the EU in encouraging increased ambition from others and the criticality of the timing of key moments in the run-up to COP26, particularly considering that the current NDCs – the national pledges made under the Paris Agreement – fall well short of the internationally agreed climate objectives. Werksman outlined the plan and the expected schedule for the EU’s ‘Glasgow Deliverables’ to support a successful outcome at COP26 and beyond. This would be by:

- strengthening the multilateral process by activating a comprehensive programme of ‘green diplomacy’ and ongoing bilateral cooperation via development cooperation, standard-setting and trade agreements;
- taking forward in the first quarter of the year the 2050 climate neutrality objective through proposals to enshrine the objective into a Climate Law and submitting to the UN a long-term strategy for the objective, with reference to the pathways modelled by the European Commission for a low-carbon society without deindustrialization;
- the European Council updating the EU’s NDC headline target in good time for Glasgow, based on an impact assessment by the European Commission of a proposed target of 50 to 55 per cent greenhouse gas (GHG) emissions reduction by 2030, to be carried out over the summer; and
- implementing legislation that underpins the new target, including reform and revision of existing legislation and introducing new legislation, starting in 2021.

While welcoming the EU's announcement of the Green Deal and the 2050 climate neutrality target as a good start, Jen Austin stressed the need for quick action from the EU on committing to an ambitious 2030 target and translating the commitments into clear, sector-specific policies. Representing the We Mean Business Coalition, which catalyses business action for zero-carbon transition, Austin pointed out that climate change is already affecting the bottom line of the business community, with more than 800 businesses committed to setting science-based targets. She said that the business case for the low-carbon transition is clear, and that even in heavy industry there is a strong economic case for a transition to net zero emissions. According to Austin, recent research shows that although some individual low-carbon investments or specific transactions in the value chain concerning zero-carbon materials may seem significantly more expensive, the net cost of the full product, certainly at wider society level, is often completely affordable. Austin stressed that therefore smart, well-targeted policy reforms can play an important role in industry decarbonization; what is now needed from policymakers is a clear political commitment to a consistent, sector-specific policy programme for industry, to show the competitive advantages of moving forward, to build long-term market confidence and to attract investment. While echoing Austin's remarks on the need for policy consistency, Lübbecke conveyed the WWF's call for a more ambitious NDC headline target for the EU, with a 65 per cent GHG emissions reduction from the 1990 level by 2030 instead of the proposed 55 per cent.

Building alliances beyond Brexit

The speakers agreed that one of the crucial questions in the run-up to COP26 would be the movements of the other big players such as China and India, and the crucial role of both the EU and the UK in building alliances for increased ambition. Drawing on her experience at the US State Department Climate Envoy's office, Austin pointed out that as the US would no longer be a party to the Paris Agreement, the EU's role would be ever more important. Austin further highlighted the opportunities for collaboration at sectoral levels beyond the somewhat politicized negotiations.

In his remarks Simon Petrie highlighted the important role the EU and UK had played in strengthening the multilateral process under the Paris Agreement. He pointed to shared challenges for the EU and UK beyond the low-hanging fruit of power sector decarbonization, moving towards the more difficult areas such as transport and buildings. Lübbecke raised the concern of potential deregulation post-Brexit and called for the UK to stick to the EU's high bar on regulations. Petrie assured the audience that leaving the EU would not dilute the UK's climate ambition and that hosting COP26 would further reinforce UK commitment to the multilateral process and the Paris Agreement goals. While the schedule for the UK's NDC announcement has yet to be specified, Petrie emphasized the importance of timing for this to ensure maximum global impact. With strong commitment from the new UK COP26 president, Alok Sharma, and the new COP26 team, Petrie emphasized the UK's COP26 priorities of increasing ambition, delivering real-world action on key themes including clean growth, climate finance, nature-based solutions, adaptation and resilience, and progressing other aspects of the negotiations, such as 'Article 6'.

Discussion

The speakers' interventions were followed by a Q&A session, which took place under the Chatham House rule. The discussion covered, among other things:

- the importance of the role of developing countries in the multilateral process and in ensuring a successful COP26 outcome;

- the interaction between the Biodiversity COP15 in China and the Glasgow COP, and the importance of ensuring complementary outcomes from both negotiations;
- the specific plans of the new UK COP26 president and the logistics of the conference;
- the roles of the UK and the EU in delivering the best possible outcome for COP26 and in getting the other big players to shift;
- the EU's bilateral relations on trade, standards and green finance.