



Horizon 2020 Societal challenge 5: Climate action, environment, resource efficiency and raw materials

COP21 RIPPLES

COP21: Results and Implications for Pathways and Policies for Low Emissions European Societies

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1. Changes with respect to the DoA

This deliverable is submitted with delay due to consultations inside the WP4 team and amendments needed for complying with the Chatham House Rules agreed for the event.

2. Dissemination and uptake

The learnings and reflections emerging from this Stakeholder Project Meeting will be directly feeding the development of the two following COP21 RIPPLES policy briefs: EU 2030 ambition (led by Bruegel) & Adequacy framework for enhanced action (led by IDDRI).

The following stakeholders will use this deliverable:

- Project partners (in order to remember the main takeaways from the project meeting).
- Advisory Board members and external stakeholders (in order to find out about the project's ongoing progress and discussions on actual climate policy developments).

3. Short Summary of results (<250 words)

The third stakeholder meeting report summarises the discussions developed during the meeting held in Brussels in May 8th 2019. The meeting discussed the European Commission's long-term vision for a climate neutral Europe made public in November 2018, with focus on two key elements: its international dimension, and the ambition and heterogeneity considerations. With the presence of members of the project's advisory board and DG-CLIMA officials, who both presented those aspects of the European documents and provided feedback to the project's research, the meeting enabled a detailed discussion on having a sectoral approach to climate strategies and making use of multiple channels for international targets, both inside and outside the UNFCCC. The feedback received from the EAB and external stakeholders was deemed constructive and useful for helping shape the outputs, outreach and narratives of the project.

4. Evidence of accomplishment

- Report (D5.7)
- Meeting agenda is available on Annex 1



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1. Introduction

On 8th May 2019, COP21 RPPLES organised its third *Stakeholders Meeting* in Brussels, back to back with the last Project Meeting (reported on [D1.5](#)). Focusing on the European Commission's (EC) long-term vision for a climate-neutral economy –released in November 2018- and with the presence of the majority of the project consortium members, the objectives of the meetings were a) to receive inputs and feedback on key research findings and policy recommendations –forming a co-production process- from topics that were going to be featured at the First Policy Dialogue (held on 7th June 2019, to be reported by D5.8) and published as policy briefs, and b) to collect insights relevant to the design of the First Policy Dialogue, as well as the opportunity to identify more key stakeholders.

For this event, COP21 RPPLES counted on the participation of EC policymakers –in this case, from the Directorate-General for Climate Action (DG-CLIMA)- who presented specific aspects of the Commission's long term vision: its international dimension (discussed on session 1), and the ambition and heterogeneity considerations (on session 2). These issues were discussed with the project consortium members and with attending members of the project's external advisory board. The project selected those key stakeholders along the following considerations: priority on Brussels-based policymakers and key influencers that are related to the EC long term vision document that also have contact with EU domestic climate policy making processes. The type of key stakeholders chosen are less affected by this year's changes at the EC Presidency team, and the group size was meant to be small in order to obtain very specific feedback on ongoing research. For running the sessions in an effective manner and with substantial discussion, COP21 RPPLES shared with the participating policymakers draft version of the presentations and policy briefs related to the discussions.

The main points of the abovementioned discussions are summarized in the sections below.



2. The international dimension of the European long-term climate strategy

Sebastian Oberthür (Institute for European Studies, VUB) presented the main outputs of Work Package 4, focused on international governance. He explained the focus is on identifying existing challenges and barriers for decarbonisation at sectoral level, what could international cooperation contribute to addressing them, and what are the existing tools for covering those gaps, like existing institutions – or the need for new ones. The work reaches out beyond UNFCCC to capture the current international complex regime.

The objectives are to have a systematic analysis of needs, gaps and opportunities to reveal priority measures to support decarbonisation at sector level, whilst establishing a specific dialogue close to the relevant actors. The research included 14 sectoral systems, different from traditional definition of sectors purely based on emissions sources (e.g. finance as a sectoral system). An example where a sectoral approach is critically needed at the international level is the energy intensive industry. The finance sector is another sector analysed in detail under WP4. The analysis of gaps and opportunities under WP4 is also looking into governance measures to specifically promote low-carbon technologies development and deployment. Last, Sebastian Oberthür explained WP4 is also working on political economy barriers, looking at case studies in South Africa, Brazil and China. The work starts with an assessment of the domestic challenges and then explores how international cooperation can support addressing them.

His presentation challenged the audience to think of international climate governance from a sectoral perspective, meaning that sectoral system could be considered as a central unit of analysis. In terms of tools, research shows that in a polycentric approach, making use of *decarbonisation club* may be helpful, where (as an example) 10-15 countries can set together specific targets and action for specific areas of climate action. The added value of such clubs is examined under WP4 against the identified gaps, including the reflection on EU's role to promote such instrument to trigger both domestic and international progress.

With regards to EC long term vision, Oberthür enquired the audience about the robustness of its international dimension. Is the EU taking most advantage of international cooperation potential when thinking of its domestic action? Is the EU contribution to international



cooperation efforts sufficiently strategic to address key transformational challenges, globally and domestically?

After Oberthür's presentation, a representative from the European Commission discussed the preliminary results. This official reflected on previous questions and whether the EC long term vision looks at the EU as 'an island'. He thoroughly presented the main elements of the international dimensions of the EU strategy: security, trade and cooperation with regards to the climate agenda. As part of the security issues, the session discussed the supply of materials, critical infrastructure and fossil fuel dependency. Other items discussed were the current EC thinking on competitiveness and international trade, the bloc's role in promoting standards and leveraging demand on sustainable products and how this relates to trade policy. Cooperation was assessed in terms of climate finance, noting the finance should not be used to compensate for stranded assets.

The EC representative continued giving a reflection on Europe's competitiveness in low-carbon technologies. The EU should build and reinforce competitive advantages in certain technologies, based on a shared diagnosis of potentials in individual regions (not only within Europe, but also across other key countries), and designing forward-looking policies to support the development of specific low-carbon technologies.

In response to Georg Zachmann (Bruegel), who discussed about the role of the research community in informing the EU external policy agenda, he asked for scientific evidence that is able to inform prioritisation of low-carbon technology development in the context of the international developments.

After this, Henri Waisman (IDDRI) made questions and comments on the current climate finance initiatives from platforms such as the G-20, countries assuming leadership amongst pairs, and the investment gaps in sustainable finance. An NGO representative added the need to mobilise more private finance resources and the work of platforms like UNEP-FI, and in the case of promoting specialisation, the need to assess the degree and type of specialisation that is implemented, looking beyond mere final products (e.g. components). The EC representative acknowledged the importance of coalitions to deliver on specific items of climate finance and technology development, and the need to promote further collaborations. He also discussed the politics of *clubbing*. To this point, a representative from a key intergovernmental organisation in the climate debate highlighted the main events for



this year linked to the climate agenda and asked participants to reflect on the contributions that their research findings could do to each of them.

Additional comments were made on the challenge of delivering a just transition from coal and other fossil fuel-intensive activities, but also in the automotive sector – especially in regions whose economies are highly specialised in those activities. It was noted the benefits of a long track record of more than 20 years of European climate policy, distinct than the situation for many other major economies. The previously mentioned NGO representative remarked the need to follow up developments on the implementation of *just transition*, giving the examples of Germany’s funding of new dialogues on the topic and research. Annela Anger-Kraavi (University of Cambridge) mentioned that just transition is increasingly involving the arena of politics, and explained that current mitigation policies have been impacting on inequalities, e.g. more expensive heating in the UK. At the international sphere, trading trends are expected to change significantly, and just transition becomes even more critical in countries depending on exports of fossil fuels, mentioning the example of Colombia. Discussions continued on the challenges related to the use of gas in the transformation of the energy sector.

Wolfgang Obergassel (Wuppertal Institut) raised a question on the EU’s perspective in promoting the bloc’s standards at the global level – e.g. in the case of fuels, emissions. In the case of finance, he mentioned that a persisting challenge in the transformation of the transport sector is the continued investment in expanding road networks. The EC representative responded that on global standards, the EU has had success in the past, and the EC is willing to continue into this direction and promote convergence with other countries, acknowledging the bloc’s influence as a market.

Michael Grubb (University College London) recognised that there is progress on the transformation of the primary energy system, but radical changes are needed in energy demand profiles in intensive industries –for instance, steel and cement sectors that are large consumers. There is a crucial production vs. consumption dilemma. For delivering an effective change at global level, how is the EU approaching this issue both diplomatically and domestically? It has to cover both spheres. For the EC, the transition is an unavoidable process globally, including for steel and cement, and needs to be managed with care. The developments of these sectors, and others, are components of the social contract in this transformation.



The EC representative finished his participation by highlighting the ongoing efforts in setting a clear long-term vision, and noted the discussions in the recent meeting of EU foreign ministers. The EC is also working on the revision of the EU-NDC and general principles for public infrastructure investments (something that the G-20 is also doing). He welcomed further discussions on the international dimensions of the EU climate strategy with the Project Consortium, expectant of final results.



3. EC long term strategy: ambition and heterogeneity

The second session consisted on informal exchanges with the European Commission on its long-term climate vision, with the views to improve the understanding of the policy relevance of the ongoing research.

One representative from the EC provided an overview of the long-term vision elements and process going forward, as well as the underlying understanding of key challenges and opportunities to meet the Paris goals. He commented on the dual qualitative-quantitative approach of COP21 RIPPLES, and highlighted DG CLIMA's historically high focus on science for supporting policy making and increasing collective work among DGs in the design of research programmes.

He highlighted the broad set of legislation developed by the Commission in recent years. EU finds itself at the end of a policy cycle that started in 2014 and will finish in 2019, a period marked by the development of the Energy Union legislation and the 2030 targets on energy efficiency and renewable energies. In November 2018, the EC presented the first version of its *long-term vision* for a climate-neutral economy, calling to achieving carbon-neutrality by 2050. The current Presidency of the European Council (Romania) is currently leading talks across sectoral councils on the long-term vision. Whilst there are many points of agreement amongst Member States, some observations remain on timelines, the level of ambition and the support from the EU. There are also discussions on how to deliver the EC long-term vision, sector by sector.

The same EC official noted that enhancing implementation and higher levels of ambition require significant planning from Member States, who should contribute to the European process through the national energy and climate plans (NECPs) that are expected to be finalised by the end of 2019. NECPs are an interesting and comprehensive tool for the climate action process, as they cover a broad set of aspects beyond GHGs: energy efficiency, renewables, climate finance, etc. It is critical for EU-wide NDC and national plans to converge, and NECPs provide critical insights to inform the energy position at EU level. The EC will provide comments and recommendations to Member States by mid-year.

The work on the EC long-term vision is structured as building blocks: energy efficiency, renewables, transport (including a diverse set of questions from mobility patterns, electrification and fuels, also hydrogen or nitrogen being studied), industry (including



technology development, business concepts and the circular economy), and land use as a main source of both emissions and storage. Debated topics are the use of biomass, natural infrastructure, the use of natural gas (and potential use of other gases), carbon capture and storage, other negative emissions technologies and the role of biofuels. The vision also aims at supporting industrial clusters and the development of low-carbon products. In fact, for industry, ETS is just one component but the landscape is much richer than that, e.g. innovation. Overall, the EC long-term vision expects to guide a society-broad discussion on the transformation required to achieve carbon neutrality. It should address concerns of different actors emerging from this transformation and support the creation of the enabling framework that would materialise it (just transition, industrial policy, research and technology development, finance).

The EC representative described a number of examples that illustrate how current policy discussions are centred on the “how to”, including circularity, policies to drive behaviour change, development of low carbon products or upfront finance to meet certain mitigation wedges. Efforts are being placed into the development of enabling conditions in close collaboration with the sectors. Although the policy landscape is rich and there is clear evidence of positive progress being made, there is need for a stronger evidence base that shows that the transformation is possible, to the last stretch, and by doing so, be able to convince actors of making use of the opportunities provided by this change.

Questions to the exposition were made on different topics, going from the current discussions on climate diplomacy and how the EU policy on climate (and the long-term vision) reflect the opportunities emerging from international cooperation, the current development and situation of negative emission technologies as a policy tool, the issue of equity at the global level, nuclear energy and biofuels as part of proposed pathways. In response to the Policy Brief on the EC long-term vision ambition, the group exchanged views on the current BAU trajectories and implementation risks. There was a sense of consensus about the weak input on finance-related policies and measures in the long-term vision. The European Commission official welcomed further input into the upcoming policy processes in relation to the enabling framework: particularly on the industrial policy and the research and development roadmaps.