

How far do EU ambitions reach towards fulfilling the Paris Agreement?

The Politics of GHG Reduction Targets of the
EU since 2018

Volkmar Lauber/ University of Salzburg
Geopolitics of Energy Transformation and Energy
Democracy

23rd REFORM Group Meeting, Salzburg 13-19 Oct 2019

Abbreviations

- COM European Commission
- EP European Parliament
- EPP European People's Party
- MEP Member of the European Parliament
- MS Member States
- S&D Socialists and Democrats

SUMMARY

- Commission seems fairly homogenous and active in its support for stepping up climate targets (exc. Juncker?)
- EP majority is most supportive of ambitious targets
- Member States are divided on those targets, with govts mostly from Central and Eastern Europe (and to some extent Baltic) prepared so far to block “overambition” of Council majorities

The new proposals inspired by these reports

- The COM report of 2018 outlines eight scenarios, most of which with slightly over 80% reduction, and two with net-zero emissions by 2050 and net negative emissions thereafter
- **Other actors** came up with bolder initiatives: individual government leaders, MEPs and individual Commission members.
- By 2019, debate revolves around two reduction targets: A stepped-up target for 2030 (55% by 2030 instead of 40%) and net-zero emissions by 2050 (instead of some time in 21st century)

An Earlier Initiative from the COM

- In August/Sept 2018, Commissioners Canete (Climate) and Sefcovic (Energy Union) launched a trial balloon for more ambition in setting the GHG reduction target for 2030 (still as part of the Clean Energy package). The combined impact of the Energy Efficiency Directive and the Renewable Energy Directive, they argued, would result in a 45% GHG reduction anyhow (rather than 40% as listed in the Clean Energy Package)
- The reaction from Merkel came promptly: Most countries, she said, would already fail on their present goal of 40% GHG reduction), better to try to make the more modest goal a success rather than trying to go beyond that. Canete promptly withdrew his suggestion
- The matter reappeared even more forcefully in 2019. A growing number of actors came to support stronger ambitions

Quick action by European Parliament

- On 14 March 2019, the EP voted a non-binding resolution in support of a target of reducing GHG emissions by 55% until 2030. 369 votes pro, 116 against, 40 abstentions
 - Remarkable: Most European People's Party MEPs voted against this part of the resolution (Merkel gave her blessing for 55% only in August 2019)
- The resolution also supported a target of net-zero emissions by 2050

Struggle between governments over net zero by 2050 (1)

- On 4 March 2019, energy ministers (in the Energy Council) debated these issues. Five ministers criticize the absence of a 100% renewable energy target for 2050 in the COM proposal.
- In early May 2019, the European Council debated the issue of climate neutrality (=net zero carbon emissions) by 2050. A French-Dutch-Swedish initiative with this aim was supported by PT, DK, LUX, ES and BE and in principle also by FI, Slovenia and Latvia.
- However, it met with determined resistance from Germany, Poland and some other countries who objected to attaching a fixed date to such a target or who (Visegrad countries PL, CZ, SK and HU) also rejected any reference to climate neutrality entirely (Politico). Far from unanimity required for decisions of European Council
- Comment by Juncker (7 May): The urgent climate policies for 2030 are more important than the 2050 net-zero target so distant in time defended by eight EU countries. Why play down this target?

Struggle between governments (2)

- Pressure from F/NL was renewed in mid-May during the Petersberg Climate Dialogue. Merkel this time made hints that Germany was close to upgrading its position (“Germany can no longer take... easy-peasy approach”)
- Internal struggle within German government: While economics minister Altmaier (usually close to Merkel, close to much of big industry) opposed such a step, environment minister Schulze supported it strongly. Altmaier also opposed raising the GHG reduction target for 2030 from 40 to 45%
- Juncker comment (echoing Merkel in 2018): “there is no sense in coming up with new targets all the time”

Struggle between governments (3)

- Heavy losses at the European elections (May 2019) for Germany's governing parties CDU/CSU and SPD...
- strong gains for the Greens who for a while - as the most credible on the climate issue which dominated the elections - were ahead of CDU/CSU! in the polls...
- a wave of demonstrations from Fridays for Future (cited by Merkel with approval! To support her personal stance?)...
- plus a number of heat waves further increased the number of governments supporting net-zero by 2050...
- all of this stepped up pressure on Germany and a few other holdouts
- Partial change came at the Brussels European Council in June 2019. By mid-June, 18 MS favoured deep emission cuts for 2030 and (net zero) 2050. Germany joined this majority with regard to 2050 target. Slovakia, Bulgaria, Latvia and Lithuania withdrew their objections at the meeting

Struggle between governments (4)

- Unanimity seemed within reach in time for the UN climate summit in NY in Sept 2019. The Polish government --leader of the holdouts - was now fully exposed to pressure from a large majority and could no longer hide behind Germany on coal exit
- But the Polish government (joined by CZ, HU and Estonian govts) resisted this pressure and objected to a fixed date for net-zero. Thus Council conclusions only state that a large majority of MS favours 2050 for net zero.
- Hope that the holdouts would still be converted before the UN climate summit in Sept. (supposed to document progress on the Paris Agreement) was dashed despite a last-minute offer of EU transition finance
- 24 Sept 2019: PL, CZ, HU, Estonia reject net zero by 2050
- On 3 Oct 2019, the Estonian prime minister announces that the Estonian government unanimously supports net zero by 2050 (dnr, eeb)

The Polish case

- Poland (and Czechia) pointed out that such a reform would be very costly (plea for EU help with funding the conversion from coal; the two countries have the biggest coal-based generation after Germany)
- Offers of EU transition funds advanced by some MS... too late for that meeting
- On 1 Oct Polish minister of energy calls a Polish shift to net zero in 2050 “a fantasy” and claims it would cost 900 billion Euro

Hungary ambivalent

- Hungary was at first favourable to net-zero by 2050 provided that its own electricity would come primarily from nuclear reactors
- In 2014-2018, the Fidesz (right wing populist) party is, at EU level, the only member of a centrist European party (the EPP). Its MEPs voted for most key decisions on climate policy (Schaller and Carius, 28), contrasting with most right-wing populist parties (who generally opposed those policies)
- HU government is not a climate denier
- Share of coal-based generation in HU was down to 18% in 2016, about one fifth that of Poland

Ways out of the deadlock?

- Oct 8: Frans Timmermans – nominated COM vice-president in charge of the European Green Deal (vaguely: of the EU's transition to sustainability) promised to submit – as did von der Leyen - a Commission proposal for a climate law incorporating the “net zero by 2050” target within 100 days of taking office
- Poland might be won over by transition funding
- Or else EU as a whole reaches net zero by 2050 while some MS have a surplus of emission reductions (e.g. DK, Finland...). PL could carry on with its coal emissions, but would be stuck with subsidising the coal sector and perhaps buying GHG emission certificates

What happened to the target of 55% GHG reduction by 2030?

- Reminder: In mid-2018, energy commissioner Canete suggests 45% figure – up from 40% - for the Clean Energy Package. Merkel objects and Canete withdraws suggestion
- EP supported 55% target in March 2019 in a non-binding resolution
- Juncker disparaged it on June 12 -- "to fix new goals again and again does not make sense", says EU should stick to 40%
- No agreement in Council summit at the end of June.

After that summit:

- Von der Leyen (before her confirmation – under pressure from EP) supports EP target on 10 and 16 July: "50-55%"

What is happening to “55% by 2030”?

- August: Rutte (PM of NL) secures Merkel’s conversion to 55%, this reverses her position from summer 2018 when she stuck to 40% rather than the 45% discussed by the pioneers
- 3 Oct: Kadri Simson from Estonia, Liberal nominated for energy commissioner, during her confirmation hearings declares support for 50% reduction (not 50-55% as von der Leyen) by 2030. LNG promoter – grilled by Greens+Social Democrats but supported by EPP; passed narrowly
- 4 Oct: Environment Council debates the 2030 target. 13 MS (DK, F, Ireland, Italy, Latvia, Luxemburg, Netherlands, Portugal, Slovakia, Slovenia, Sweden, Spain, UK) voted for 55%

Abstention (?) : 4 (Austria, Belgium, Cyprus, Germany (?!)).

Opposed: 10 (Bulgaria, Croatia, Czechia, Estonia, Greece, Hungary, Lithuania, Malta, Poland, Romania)

If this were a legislative vote, it would fail the criteria for a qualified majority by two votes (55% of MS holding 65% of EU population must vote in favour of a proposal, abstention counts as negative vote)

Stagnation on emission reduction targets?

- Also on 4 Oct, the European Council, in its conclusion nr. 11, can only highlight “that in 2020, the EU will update its nationally determined contribution...”
- So without further steps the EU will fail to attain both the “net zero by 2050” and the “55% by 2030” targets before the next COP in Chile
- But the struggle continues...

New COM (1): The election of von der Leyen as COM president

- Her election a surprise; not known for interest in climate policy, surprise: she proposes to make it a focus of COM action
- Despite the fact that she comes from EPP – most of whose MEPs had rejected these targets in early March and whose failed *Spitzenkandidat* for the COM presidency (Weber) did not even list climate policy as one of his major concerns
- She surprised in her acceptance speech by promising to push for
 - Net zero GHG emissions by 2050
 - 50-55% GHG reduction by 2030
- But then this was shortly after Merkel had switched to net zero by 2050 and just a month before she joined 55%/2030

New COM (2): Timmermans in charge of European Green Deal

- Timmermans (unsuccessful *Spitzenkandidat* of Socialists & Democrats who placed Climate and Energy at the top of his priorities during the electoral campaign)

Selected by von der Leyen as first vice-president of the COM, with portfolio for European Green Deal

Confirmed by EPP, S&D, Renew Europe, Greens; opposed by ECR, GUE/NGL, ID); will likely benefit from current climate boom. But he will have to share power with other Commissioners, e.g. Kadri Simson (energy portfolio)

An EU Climate Law targeting 55%?

- 7 Oct: Eight MS (F, NL, SP, S, DK, PT, Latvia, LUX) sign a letter to Timmermans in favour of 55% by 2030.
- Germany refuses to sign it (?!), though this target is still listed in the recently submitted German Climate Law
- Oct 8: Frans Timmermans (nominated COM vice-president in charge of European Green Deal) in his confirmation hearing declares he will go for 50-55%, with a preference for 55% if analysis – which may take until COP26 in Glasgow at end of 2020 -- supports it

COM, EP and MS positions

- Both Von der Leyen and Timmermans are strongly committed to ambitious climate action. This is quite different from Juncker and Canete, their predecessors
- A majority of the current EP Parliament is similarly committed
- This augurs well for climate policy efforts by the pioneers.
- Less so for results
- Greta may be right after all

Who was key in holding up progress on GHG reduction targets – blame game?

- Primarily, Polish and German governments
- The two countries with the highest volume of coal-based generation in EU
- Germany was key foot dragger in this and related areas in recent years (car emissions; renewable energy deployment; decarbonisation of EIB lending)
- Poland long benefited from German "leadership" in holding up EU climate policy; obsolete energy structures
- CZ, HU in shadow of PL

*

SO THIS COULD BE
THE END

*

*

Main Sources

- CLEW (clean energy wire), funded by Stiftung Mercator and the European Climate Foundation
- Politico, esp. Brussels Playbook
- Euractiv
- Climate home news
- Carbon market watch
- European Environmental Bureau

A brief note on Climate Policy and Right-Wing Populism

- Right wing populist MEPs predominantly vote against climate and sustainable energy policies, particularly if these policies are multilateral and “undermining economic sovereignty” (e.g. Paris Agreement, EU climate policy)
- They tend to support fracking, continued use of coal, and oppose most renewables (particularly wind power) and some efficiency policies
- However, explicit denial of climate science was a minority position among right-wing populist parties 2014-2019 (most strongly present among AfD and UKIP; not so much in HU and PL parties)
- Opposition to climate policy is not merely right wing/populist. Some of it is also present in CDU/EPP (e.g. on renewable energy)
- Opposition to climate policy is not uniform among right wing populist parties
- Sources: David Hess and Madison Renner (2019), Stella Schaller and Alexander Carius (2019)