Paris-Aligned EU External Action

European Green Deal Diplomacy for accelerating global action to achieve the Paris Agreement goals

Jennifer Tollmann and Léa Pilsner
08 December 2021
Approach

• Assess the state of play of climate in EU external action
  • where the EU is already integrating climate into external action - what leadership areas can be built on?
  • Where are there gaps?
  • What are others already doing? And what does that mean for the EU's role?

• Bring together foreign policy, development, finance and climate diplomacy experts to begin a sustained conversation
  • Roundtable bringing together experts from over 15 European organizations across relevant fields
  • Benefitted from generous review and feedback by over 20 European organizations

• Offer a strategic framework – as well as a concrete “fast start programme”
**Emissions gap**

If fully implemented, net-zero and 2030 climate targets put the world on track for a global temperature rise of 1.8°C. However, in the absence of these being translated into laws and regulations, current policies leave the world on a path to 2.7 °C of warming.

*(CLIMATE ACTION TRACKER 2021)*

**Climate finance gap**

Emerging and developing economies will need up to $1 trillion per year for clean energy transition by 2030.

*(IEA, WEF & WORLD BANK 2021)*

In 2020, rich nations fell $20 billion short on their promise to provide $100 Billion per year to the Global South and are set to only meet their annual commitment as of 2023.

*(OECD 2021)*

**Climate displacement**

In 2020 climate-related impacts caused three times as much displacement as conflict and violence.

*(Al Jazeera, 2020)*

216 million people are expected to be displaced within their countries by 2050.

*(GROUNDSWELL WORLD BANK 2021)*

**Petro-states at risk in low carbon future**

21 of 40 petrostates are projected to lose substantially more than 60% of revenues over the next twenty years. 400 million people live in the 19 petrostates most vulnerable to fiscal instability in a low carbon scenario.

*(Carbon Tracker 2021)*
Adaptation finance gap

The costs of adapting to climate change in developing countries are at least five times greater than current public finance for adaptation.

(UNEP 2021 ADAPTATION GAP REPORT)

Investment in climate

China Development Bank has invested about $132 billion in climate (IDFC 2019) compared to about $21.7 billion for the European Investment Bank and around $5 billion for the EBRD

(2020 JOINT REPORT ON MOBS’ CLIMATE FINANCE)

Uneven climate vulnerability within the EU

Climate change will impact all EU member states, but Southeastern and Southern Europe will be hotspots of climate impacts, creating a cohesion risk for the EU.

(EEA 2016)

Public opinion support

European citizens now identify climate change as the single most serious problem facing the world

(2021 Eurobarometer)
A PROPOSITION FOR TRANSFORMATIONAL ACTION
Aligning EU foreign policy with achieving the goals of the Paris Climate Agreement

Ensure every aspect of EU foreign policy supports the implementation of the Paris Agreement. Foster synergies between all EU policies, strategies and funds to multiply impact.

Make cooperation with the EU the best "offer" in a turbulent geopolitical landscape by prioritising dialogue and partnership around the shared goal of a climate-safe world.

Mobilise EU external action, technical expertise and investments to help partners achieve ambitious climate mitigation and adaptation goals.

Use Paris-alignment of EU external action to protect European economic and security interests; and uphold EU values, including equality and human rights, in an increasingly climate-impacted and multipolar world.
Ensure every aspect of EU foreign policy supports the implementation of the Paris Agreement

- **“Climate Corps”:** Significantly increase EU diplomatic capacity to match the growing priority of climate action, including “climate certification” training.

- **Establish the post of an EU “Climate Implementation envoy”** to coordinate the delivery of a ‘Fast Start Programme’ and engage partners at ministry of economy level on implementing green, resilient, and just development pathways.

- **Leverage Parliament’s budgetary oversight** to ensure EU resources support climate efforts, including through an annual “State of External Climate Action” report.

- **Establish a regular dialogue on the progress of the ‘Fast Start Programme’** between EU27 foreign affairs, environment, development, and economy ministers.
Make the “Global Gateway” initiative the beacon of a positive European offer to co-develop just, green and resilient recovery and development pathways

- **Establish and staff a central “Global Gateway” hub** under the “Climate Implementation Envoy” as a forum for dialogues with partners. Use it to support partners in accessing and mobilising resources, funds and technical expertise.

- **Invest as much in the green transition abroad as at home** (currently 30% of EU budget, or €360 billion).

- **Leverage the experience of the European Investment Bank and European Bank for Reconstruction and Development** in engaging regional and local public banks.

- **Integrate human rights and gender equality** considerations into co-development dialogues, as well in due diligence processes.
Mobilise the “Global Gateway” initiative as the main vehicle to support key partners and regions abroad

- Support access to funding for green and resilient transition and recovery in major emerging economies (Indonesia, India, Vietnam, South Africa).

- Work with least-developed and middle-income “petro-states” to invest in green and resilient development pathways.

- Focus on partners in the EU Neighbourhood, the Eastern Mediterranean and Africa.

- Engagement should consider peacebuilding and managing risks around climate impacts, fragility, fiscal vulnerability and social tipping points.
Use Paris-alignment of EU external action to protect European economic and security interests and uphold EU values - including equality and human rights - in an increasingly climate-impacted and multipolar world.

- **Prioritise resilience and adaptation** across external action - and invest accordingly.
  - Consistently address climate in the EU Strategic Compass
  - Increase public finance for adaptation to equal mitigation
  - Identify joint diplomatic priorities with Africa-Caribbean-Pacific partners, i.e. around making global financial architecture (i.e. IMF, MDBs) fit for investing in resilience

- **Address gender equality, human rights, development and climate as interlinked objectives** in EU external action - and earmarking EU funds for cross-cutting projects.

- **Leverage key EU relationships** to build a climate-ready international economic system:
  - Deepen transition (and climate risk) dialogues with G20 major fossil producers (Russia, Turkey, Saudi Arabia, USA);
  - Leverage joint alignment and market power with G7 allies to accelerate deployment of green technologies and align standards; and
  - Navigate the complexity of the EU-China relationship. Cooperate where interests align (i.e. common green finance standards) and in multilateral venues like the G20, but prepare to compete where necessary.
Thank you!

Jennifer Tollmann & Léa Pilsner

Jennifer.Tollmann@e3g.org;
Lea.pilsner@e3g.org