

Berlin Perspectives

Analysing German European Policy

After COP26: What it takes to avert the climate crisis

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The recent COP26 brought some important, yet insufficient progress in the fight against climate change. A rapid transition to 100 per cent clean, renewable energy supply is the only way to meet the 1.5 degree global warming target of the Paris Agreement.

The world is at a tipping point – not only with regard to irreversible climate change but also with regard to climate protection, which is finally beginning to be pursued. In the midst of the coronavirus pandemic crisis, the climate crisis threatens to overtake us, which requires us to act quickly. Record temperatures across the globe, forest fires, droughts and extreme rainfall, including enormous floods (as last year in Germany), make the impact of climate change increasingly tangible. The latest report of the Intergovernmental Panel on Climate Change has made it clear again that action must be taken quickly. It is the loudest, most recent wake-up call from climate science to turn the tide towards consistent climate protection.

The good news is that it is still feasible to keep global warming below 1.5 degrees Celsius and thus not to exceed irreversible climate tipping points. The bad news is that there is very little time left to do so. Fostering the transition to a carbon-free economy is key. This requires phasing out all fossil fuels – such as coal, oil or natural gas – and drastically boosting investment in renewable energies. The world's countries must act faster than before and finally make climate protection a top policy priority. To that end, the Paris Climate Agreement must finally be implemented consistently.

Lessons from the COP26 in Glasgow

There were hopes that world leaders would take decisive action at the United Nations Climate Change Conference (COP26) in Glasgow from 31 October to 12 November 2021, not least because of the growing acceptance for climate action in the public debate in light of protest movements such as the Fridays for Future Movement and the recent natural disasters illustrating the consequences of climate change. However, the climate pact agreed in Glasgow fell short of expectations. Some important, yet insufficient, progress has been made; for example, some loopholes allowing "greenwashing" through double counting of international emission credits could now be closed. By far the most important achievement is the agreement of nearly 200 countries to phase down coal. Although a complete phasing out did not make it in the final document, due to some countries requesting the proposal to be watered down, this is significant.

There are encouraging signs, though, that a fast phasing out could be possible. One is that China has said it will no longer finance coal-fired power plants abroad and global financial institutions will also stop doing so now at the latest as the long-term profitability of such investments will be limited. Another example is Germany's initiative to support the phasing out of coal in India and South Africa through targeted cooperation for an energy transition.

Overall, a positive and important signal from Glasgow is that all countries remain committed to supporting the goal of the Paris Climate Agreement to limit global warming to 1.5 degrees. Real political action is slowly getting

underway – six years after the signing of the agreement, 40 years after the first scientific climate reports and after 25 years of contradictory political decisions. The European Union is working to reduce greenhouse-gas emissions by 55 per cent below 1990 levels by 2030 under the European Green Deal and the Fit for 55 programme. The United States has rejoined the Paris Agreement and the Biden administration is pushing through a remarkable climate programme at home. Under the Paris Agreement, the United States has committed to reducing its carbon emissions by 25 per cent below 2005 levels by 2025. And President Xi Jinping announced that China will reduce its carbon emissions by 65 per cent below 2005 levels by 2030 and that 25 per cent of its energy consumption will come from renewable sources by then.

These are all important steps in the right direction, but they come late. They will not be enough to avert the climate crisis. While news that action is finally being taken and that climate protection is finally at the top of the political agenda where it belongs is welcome, neither the level of ambition nor the level of implementation are sufficient to meet the Paris Agreement targets. And, in any case, these targets are not ambitious enough to limit global warming to 1.5 degree, or well below 2 degrees, as this would require an even higher reduction of 80 per cent in emissions by 2030 and a complete shift away from all fossil fuels.

As important as it is, the Glasgow Climate Pact falls short when it comes to laying out a clear path to achieve the 1.5 degree target. The gap between ambition and implementation globally, (including in Germany) is still too big. All countries must not only implement the targets that have now been agreed; they must also raise them. Fossil subsidies must be abolished. The window of opportunity to act is getting smaller and smaller.

It seems that all of the world's countries will have to first declare a global climate emergency in order to act more quickly and, above all, more ambitiously. If they do not do it themselves, climate change will create such a state of emergency sooner or later. It is high time for change and for fast action. Glasgow was a step in the right direction, but we need to move much faster.

A full renewable energy supply, now!

What the world needs is a rapid transition to 100 percent clean, renewable energy supply and storage for everything, including non-energy emissions such as deforestation or soil carbon. This transition would mean the electrification of almost everything – vehicles, heating and cooking in buildings, industrial processes, but in turn would also allow to cover the full supply of the required electricity. On the demand side, this electrification could reduce primary energy demand by more than 50 per cent given the efficiency of clean electricity compared to fossil

and nuclear energy despite an increase of overall electricity demand. On the supply side, numerous studies show that a full supply of 100 per cent renewable energy has lower energy system costs than a conventional one.

The world is reacting too late to avert the climate crisis. Having lost at least 25 years, we must act quickly. In order to limit global warming to a maximum of 1.5 degrees, fast action and determined implementation are required. If we continue as we are, the climate budget, the amount of CO₂ that humanity can emit while still having a chance to contain global warming within 1.5 degrees, will be exhausted in seven years. It is possible to quickly implement a full renewable energy supply by reducing the advantages of fossil energies, especially fossil subsidies, and by accelerating the expansion of renewable energies particularly by improving the framework conditions for rapid expansion. Instead of spending the next 15 years that it would take from planning to constructing expensive nuclear power plants or power plants with CO₂ capture and storage, a full supply of renewables could be achieved.

Such a new energy world would be characterized by more decentralization, flexibility and intelligence. Above all, it would be more democratic because everyone would participate in the energy transition by, for example, producing energy through their own solar plants or their own combined heat and power plants, thus shaping the energy market in a decentralized manner.

What Germany's government should do next

For Germany's new government, the outcome of COP26 is clearly a mandate for more climate protection. In particular, coal must be phased out by 2030, the pace of expansion of renewable energies must be at least tripled and fossil-fuel subsidies must be abolished. The list of environmentally harmful subsidies, especially in the transport sector, is long – from company-car privileges, diesel tax relief and commuter allowances to the absence of a paraffin tax and of VAT on international flights. Above all, COP26 made it clear that any investments in fossil energies, including the construction of a new natural-gas pipeline are stranded investments. In order to achieve the Paris Agreement targets, Germany's government should end investments in fossil fuels and boost investment in renewable energies instead.

Germany should take on a pioneering role and consistently implement serious climate protection at home towards a full supply of renewable energies. Together with its European partners, the United States and other willing countries, it should establish a climate alliance for the phasing out of fossil fuels and the transition to a full supply of renewable energies. It is urgent time for this. It is a last chance to turn the climate wheel around. We must do everything we can to make it happen.

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