



**TOWARDS A NEW FORM
OF EU LEADERSHIP IN
INTERNATIONAL CLIMATE
POLICY**

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EXECUTIVE SUMMARY

In its Green Deal Communication, the European Commission sets out an ambition for the EU to become the ‘global leader’ in tackling climate change. The EU’s Climate law legally binds it to reducing greenhouse gas emissions by 55% by 2050. A range of new policy proposals are being brought forward to bring European industry and society in line with this goal. And yet, the EU’s emissions account for only 10% of those worldwide. Internal action is not enough; and whilst the EU’s ambition to lead the world in addressing the climate crisis is admirable, further reflection on its approach to external climate policies reveal shortcomings that undermine its claims to global leadership.

The EU’s success in achieving climate neutrality by 2050 will have limited value if, in the process of pursuing its own climate goals, it compounds climate stresses in other countries. Yet, consideration of the EU’s approach to pressing issues such as climate migration, natural resource conflict and the geopolitics of the energy transition illustrate a lack of **foresight** in the EU’s external climate policies. Analysis of the EU’s existing policies and statements to date regarding renewable energies and critical raw materials show a distinct lack of **inclusivity** in the formulation of the EU’s approach. Finally, further reflection on the EU and its member states’ climate financing commitments demonstrates that while such funds are by no means negligible, commitments are lacking in focus and **substance**.

To address the weaknesses in the EU’s claims to climate leadership, we believe that a new form of leadership is needed: one which is **strategic, equitable** and **substantial**. By strategic we mean that the EU should make policy decisions with a long-term perspective, considering the implications of such choices and the extent to which they will be impacted by climate change. By equitable we mean a fair, inclusive, multilateral, and multilevel approach, where all the parties impacted by climate policies are heard – including sub-national actors and civil society. By substantial we mean concrete action, coupled with financial tools of considerable size. We offer five suggestions on how this could be achieved:

1. A **Global Platform on Shared Natural Resources Management** that enhances regional and multilateral cooperation on the sustainable, global management of natural resources, mitigating the risk of future conflict and instability.
2. A **Global Just Transition Fund**, managed by the IMF, that supports producer economies around the world manage the great social and economic changes brought by the transition from fossil fuels to renewable energies.
3. Better **climate financing** to meaningfully support adaptation in developing countries, and a reformulated, less unilateral approach to carbon leakage that places the planet over national or protectionist concerns.
4. A revised **Common European Asylum System (CEAS)** tailored to the **climate-migration nexus** that will ensure the equitable treatment of those most vulnerable to the impacts of climate change
5. Better **inclusion of youth** in the formulation and implementation of actions dealing with climate change.

1. INTRODUCTION

Ahead of December's European Council meeting, UN Secretary General António Guterres called on European Union member states to take ambitious climate action. The Secretary General stated that the world is in 'a race against time'¹. Europe's exposure to environmental disasters and extreme weather is becoming increasingly visible. As temperatures rise, large areas of Spain will be subsumed by desertification, whilst rising sea levels will submerge parts of The Hague and Rotterdam underwater. To avoid the worst impacts of the climate crisis, urgent action is needed². The Green Deal, one of the world's most ambitious climate policies, is the EU response to this threat. Within the framework of the Green Deal, the proposed EU Climate Law commits the EU to reaching carbon neutrality by 2050, with member states increasingly bringing their national policies in line with this objective³.

Despite these promising developments, the EU accounts for only 10% of global greenhouse gas emissions. Internal action is not enough. In recognition of this, the Green Deal calls on the EU to become a 'global leader' that encourages partners around the world to match its own climate ambition. Whilst this is an admirable goal, the external aspects of the EU's climate policy rest on the assumption that the Green Deal can indeed be externalised to other countries and regions around the world. Yet, the EU Green Deal is a plan designed for Europe, not one crafted for other societies and geographies. It lacks **foresight** regarding the implications that certain EU environmental policies will have for other countries. More **inclusivity** is needed to craft climate policies that will work globally. EU success in achieving climate neutrality by 2050 will have limited value if, in the process of pursuing its own climate goals, it compounds climate stresses in other countries. Finally, transitioning to net zero carbon emissions will require radically overhauling all aspects of society. This will be costly. For centuries, European countries have reaped the economic benefits of industrialisation, and, in doing so, contributed to planetary harm. European countries must offer more generous **financial support** to developing countries in their journey to carbon neutrality.

The impacts of climate change are already being felt, in Europe and around the world. As global temperatures rise, so too does the risk that we will live through one or more pandemics in the future⁴. The EU has a responsibility to future generations to move forward with a new form of climate leadership, that is strategic, equitable and backed by financial commitment. These are our suggestions for how this should be achieved:

1. A Global Platform on the Management of Shared Natural Resources constituting a way forward for the sustainable, global management of natural resources.

2. A Global Just Transition Fund, managed by the IMF, aiming to support the transition from fossil fuels to renewable energies at a global scale.

3. Better climate financing and a reformulated, less unilateral approach to **carbon leakage**.

4. A revised "Common European Asylum System (CEAS)" tailored to the climate-migration nexus

5. Better inclusion of youth in the formulation and the implementation of actions dealing with climate change.

¹ European Council on Foreign Relations (ECFR), "Remarks on climate action from UN Secretary-General António Guterres", 19 November 2020, accessed March 10, 2021, <https://ecfr.eu/video/remarks-climate-action-antonio-guterres/>

² Jennifer Rankin, "Fires and floods: maps of Europe predict scale of climate catastrophe", The Guardian, February 10, 2020, accessed March 10, 2021 at <https://www.theguardian.com/environment/2020/feb/10/fires-floods-maps-europe-climate-catastrophe>

³ European Environment Agency (EEA), "More national climate policies expected, but how effective are the existing ones?", November 27, 2019, accessed March 10, 2021, <https://www.eea.europa.eu/publications/more-national-climate-policies-expected/more-national-climate-policies-expected>

⁴ Hoegh-Guldberg, et.al, Impacts of 1.5oC Global Warming on Natural and Human Systems, 2018, In: Global Warming of 1.5°C., IPCC, 2018, pp. 175-311.

2. PROBLEMS WITH THE EU'S CURRENT EXTERNAL CLIMATE POLICIE

2.1 A lack of foresight

The EU's external climate policies demonstrate insufficient appreciation of the massive changes both climate change and the clean energy transition will bring. Whilst EU policymakers demonstrate awareness of climate related risks, policies are yet to be formulated to account for long-term challenges such as climate migration, natural resource management and the socio-economic impacts of the energy transition on producer economies.

a. *Climate migration*

By 2050, it is estimated that there will be 200 million environmental refugees⁵. Failure to develop a long-term policy at EU level to respond to this inevitable trend will exacerbate existing flaws in the EU's asylum and migration systems. For example, in the Sahel belt, the impacts of climate change will compound existing challenges related to demographic shifts, poor infrastructure, and weak institutions. Yet, the EU's focus on migration in this region remains limited to enhancing border control and fighting smuggling⁶. Failure to develop an adequate policy response risks fuelling anti-migrant and anti-EU rhetoric, but most importantly, an incoherent EU response threatens the safety of vulnerable populations fleeing the socio-economic impacts of climate change and environmental disasters. The EU's approach can no longer be limited to a state-centred security perspective.

b. *Conflicts over natural resources*

The management of natural resources, and the risk of resource scarcity fuels geopolitical tensions. Yet, there has been 'little sign' of EU commitment to engaging diplomatically in 'key flashpoints of climate stress'⁷. One such flashpoint is the dispute over Southeast Asia's longest river, the Mekong⁸. Flowing through six different countries, the Mekong Delta sustains the livelihood of 80% of the 60 million

people living in its lower basin⁹. Construction of dams along the Mekong can provide significant stores of renewable energy but endangers the livelihood of those dependent on the river in its Delta. Climate goals cannot endanger populations' access to vital resources. In anticipation, the EU should push for better long-term management of natural resources across the world.

c. *Energy transition and producer economies*

The energy transition will bring with it social and economic challenges for states reliant on fossil fuel exports. The Council has called on the EU and member states to anticipate such challenges and to support 'the development of socially just economic and energy diversification plans'¹⁰ and to provide 'targeted support'¹¹ to those most affected by the energy transition. The extent to which the EU member states can act collectively in supporting the diversification of producer economies is questionable, particularly as certain member states have different relationships and policy priorities regarding producer countries based on their energy mix and dependencies. To date, the EU has failed to adopt a coherent policy to anticipate and support the global transition to renewable energies.

5 International Organization for Migration Egypt, Migration and Climate Change Nexus, IOM Paper, 2020, accessed December 20, 2020, <https://environmental-migration.iom.int/sites/default/files/Migration%20and%20Environment%20Nexus%20-%20December%202020%20-%20IOM%20Egypt.pdf>

6 Morten Bøås. "EU Migration Management In The Sahel: Unintended Consequences On The Ground In Niger?". Third World Quarterly 42, no.1 (2020) 52-67.

7 Richard Youngs, "Conceptualising the EU's approach to climate security", in The EU and climate security: towards ecological diplomacy. ed. Olivia Lazard and Richard Youngs, (unpublished manuscript, 2021), typescript.

8 Jorge Soutullo Sanchez, The Mekong River: geopolitics over development, hydropower and the environment, European Parliament Think Thank Study PE 639.313, November 2019, p. 5-6

9 Kirk Herbertson, The Xayaburi Dam: Threatening Food Security in the Mekong, International Rivers, September 2012, p.4

10 Council of the European Union, "Council conclusions on Climate and Energy Diplomacy - Delivering on the external dimension of the European Green Deal", 5263/21, January 25, 2021, <https://data.consilium.europa.eu/doc/document/ST-5263-2021-INIT/en/pdf>, p. 8.

11 Ibid.

2.2 A lack of Inclusivity

To build a long-lasting, sustainable, global response to the climate crisis, all players must be brought to the table as equals. Inclusivity in climate policies requires that multilateral dialogue be prioritised over unilateral action. It means promoting policies that are in the interest of all, not just the EU. Finally, it requires incorporating ‘on the ground’ expertise through bottom-up policy making and consultation with civil society. Currently, the EU’s climate leadership is lacking in such inclusivity.

a. Renewable energies

The EU has recognised that North African countries, such as Morocco and Tunisia, given their potential for solar and wind energy, present a ‘distinct opportunity’¹² in its quest for carbon neutrality. The Sahara could for instance provide ‘four times the world’s current energy demand’¹³. Similarly, the EU has recognised the potential for a ‘mutually beneficial hydrogen ecosystem’¹⁴ within the context of the EU-Africa Partnership. Several renewable energy projects are in progress between EU actors and African countries¹⁵. Whilst developing renewable sources on the African continent is commendable, the way that the EU has framed the clean energy potential in these countries is problematic. The assumption that the EU has a right to a share of these renewable sources fails to account for the possibility that ‘African countries may prefer to first take care of their own energy needs with renewable installations, before having enough surplus to export’¹⁶. There is limited value in the EU becoming the first climate-neutral continent if, in the process, it sets back the progress of others. If EU investments in partners’ renewable energies remain primarily focused on European objectives and needs, this is a real risk.

b. Critical raw materials

The EU’s approach to critical raw materials prioritises self-interest over an inclusive, collaborative approach to global climate leadership. In September 2020, the Commission launched an Action Plan on Critical Raw Materials that framed the security of the supply of critical raw materials as a matter of security necessary to ensuring the EU’s “resilience and open strategic autonomy”¹⁷. The Commission’s Action Plan aims to balance European self-interest with principles such as free trade and inclusivity, by shaping ‘the new system of global economic governance’ and developing ‘mutually beneficial bilateral relations while protecting [...] [the EU] from unfair and abusive practice’¹⁸. The impetus for this plan lies more so with fears of dependence on China, rather than an ambition to promote a global clean energy transition. The EU in its climate policies has been criticized as adopting an approach that is ‘mercantile and defensive’¹⁹, such an approach to critical raw mineral supply focuses on securing the EU’s supply as opposed to ensuring equitable

12 Amine Bennis, “Power surge: How the European Green Deal can succeed in Morocco and Tunisia”, European Council of Foreign Relations, Policy Brief, 26 January 2021, accessed January 30, 2021 Power surge: How the European Green Deal can succeed in Morocco and Tunisia – European Council on Foreign Relations (ecfr.eu)

13 Zhengyao Lu and Benjamin Smith, “Solar panels in Sahara could boost renewable energy but damage the global climate – here’s why”, The Conversation, February 11, 2020, accessed March 18, 2021, <https://theconversation.com/solar-panels-in-sahara-could-boost-renewable-energy-but-damage-the-global-climate-heres-why-153992>

14 Swetha Ravi, Kumar Bhagwat and Maria Olczak, Green Hydrogen: Bridging the Energy Transition in Africa and Europe, Florence School of Regulation Report, September 2020, accessed March 18, 2021, https://africa-eu-energy-partnership.org/wp-content/uploads/2020/10/AEEP_Green-Hydrogen_Bridging-the-Energy-Transition-in-Africa-and-Europe_Final_For-Publication.pdf

15 Bennis, “Power surge”

16 Jan Ciensky and America Hernandez, “Why carbon-free Europe will still need North African energy”, POLITICO Europe, June 21, 2020, accessed March 18, 2021, <https://www.politico.eu/article/why-carbon-free-europe-will-still-need-north-african-energy/>

17 European Commission, Critical Raw Materials Resilience: Charting a Path towards greater Security and Sustainability, Communication COM/2020/474 final, 3 September 2020, accessed December 20, 2020, <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52020DC0474>

18 Ibid

19 Youngs, 2021 typescript..

supply to every country at a global scale²⁰. Climate measures are employed by the EU of protecting its own economic interest²¹.

c. *Lack of consultation with civil society*

The current paucity of consultation with civil society both at EU level and within partner countries has damaging consequences when formulating external climate policies. One example is the NaturAfrica Initiative within the EU Comprehensive Strategy with Africa which aims 'to tackle biodiversity loss by creating a network of protected areas to protect wildlife and offer opportunities in green sectors for local populations'²². NGOs have raised concerns regarding the lack of consultation with African civil society, fearing that it will entrench "an outmoded and unsustainable conservation model"²³. Past EU conservation initiatives have led to unintended consequences and reports exist of 'a number of European-funded protected areas where serious human rights abuses by armed rangers have been documented'²⁴. The EU has a responsibility to learn from past mistakes and to build 'on the increasing body of evidence that effective and sustainable conservation goes hand in hand with securing the rights of local and indigenous communities'²⁵.

2.3 Lack of a financial commitment

A global response to climate change and the clean energy transition will require unprecedented financial resources. Big ambition should be met with action, and for a green transition to be possible on a global level, financial support is crucial. In 2019, the EU and its member states contributed €23.2 billion in climate financing to developing countries. Of this sum, €2.5 billion came from the EU budget and €3.2 billion was provided by the European Investment Bank²⁶. The EU is the largest provider of international climate finance, and, in the future, the amounts are set to increase further. This aid supports a variety of

projects, such as green growth strategies in Vietnam, efforts to save forests in Bhutan, actions to ensure sustainable agriculture in Zambia and schemes to enhance institutional capacity to tackle climate change in Cambodia²⁷.

However, given the vast sums that will be needed for the global climate and energy transition, this is not sufficient. As a powerful, well-developed economy that has benefitted from the advantages of industrialisation and the exploitation of natural resources, the EU has a particular responsibility to support the transition of developing countries. In addition to this responsibility, the EU and its member states also have the economic capability to support climate financing. Around 20% of EU spending on international development was expected to be directed towards climate financing in 2020, and this share is expected to increase²⁸. In total, at least a quarter of the EU's expenditure will be dedicated to climate action²⁹. In total, at least a

20 Irina Patrahau, et.al, Securing Critical Materials for Critical Sectors: Policy options for the Netherlands and the European Union, The Hague Centre for Strategic Studies Report, December 2020, accessed January 23, 2021, <https://hcsc.nl/sites/default/files/files/reports/Securing%20critical%20materials%20for%20critical%20sectors.pdf>

21 Youngs, 2021 typescript.

22 European Commission, The European Green Deal, COM(2019) 640 final, December 11, 2019.

23 Congo Basin Forest Partnership, "EU plan to tackle biodiversity loss in Africa not good news for people or nature, Ngos say – rainforestfoundationuk", September 30, 2020, accessed December 20, 2020, <https://pfbc-cbfp.org/news-partner/say-rainfore-stfoundationuk.html>

24 Ibid.

25 Ibid.

26 Council of the European Union, "Climate finance: EU and member states' contributions continued to increase in 2019", Press Release 729/20, October 29, 2020, accessed February 24, 2020, <https://www.consilium.europa.eu/en/press/press-releases/2020/10/29/climate-finance-eu-and-member-states-contributions-continued-to-increase-in-2019/>

27 European Commission, "European Union Climate Funding for Developing Countries", 2014, accessed March 10, 2021, https://ec.europa.eu/clima/sites/clima/files/docs/funding_developing_countries_2014_en.pdf

28 European Commission, "International development aid", accessed April 2, 2021, https://ec.europa.eu/info/business-economy-euro/economic-and-fiscal-policy-co-ordination/international-economic-relations/international-development-aid_en

29 European Commission, "International climate finance", accessed February 18, 2021, https://ec.europa.eu/clima/policies/international/finance_en

quarter of the EU's expenditure will be dedicated to climate action. At the same time, the EU budget is relatively limited. The 2019 contribution to external climate financing amounted to only 0.17% of total EU GDP. Commission promises to increase climate financing are welcome but woefully inadequate, considering that the climate crisis poses an existential threat to life on our planet. In addition to the total amount of climate financing, the delivery of such financing is also crucial. EU member states –responsible for most of the Union's total external climate financing– have adopted different approaches to such funding. Member states' external climate financing principles must be aligned with each other. For example, Multilateral Development Banks, such as the European Investment Bank (EIB) and the European Bank for Reconstruction and Development (EBRD), attributed only 30% of their 2018 climate financing to adaptation, and yet less than 12% from each institution went to adaptation in developing countries. If the resources provided by the member states are included, about 20% of the EU's climate financing is dedicated to climate change adaptation in developing countries, while about half is dedicated to mitigation. Despite a shift in priorities, in its current state, EU climate financing is not in line with recommendations of the Paris Agreement that call for a balance between adaptation and mitigation funding.

A coherent and consistent external climate financing strategy also needs to account for other external actions. It is crucial that other actions towards, or related to, developing countries do not obstruct overarching climate policy goals. Other financial allocations must not cut across the impact of climate spending.

An ambitious commitment from the EU and its member states to climate financing is important: particularly, as from 2020, the Paris Agreement calls for the disbursement of US\$100 billion per year of climate finance. Yet the economic fallout from

Covid-19 poses a risk to this ambition. Emerging markets and developing economies (EMDEs) have been amongst the worst affected. According to a report by the Independent Expert Group on Climate Finance, '54% of low-income countries are deemed to be in debt distress or at high risk of debt distress as of September 2020, a trend likely to continue into 2021'³⁴.

It is important that the EU and its member states ensure that EMDEs have sufficient fiscal space to build back after the pandemic in a sustainable way. However, at present, 'no African country has been able to access the sovereign debt market since February and there have been more downgrades in credit ratings in 2020 than in any other previous year in history'³⁵. If EMDEs are forced to pursue economic recovery through unsustainable means, the environmental impact of this will be felt around the world. Worryingly, some EU member states are already cutting back on external financing commitments. But now is the time to scale up external support in order to avoid the need for even more costly solutions in the future – or even worse, allowing the world to pass a tipping point beyond which our climate goals are no longer within reach³⁶.

30 Eurostat, "National accounts and GDP", accessed February 3, 2021, https://ec.europa.eu/eurostat/statistics-explained/index.php/National_accounts_and_GDP#Developments_for_GDP_in_the_EU-27:_growth_since_2014

31 Pamella Ahairwe and San Bilal, Boosting EU climate finance: Mitigate more without neglecting adaptation in poorer countries, Policy Brief, December 2019, accessed February 24, 2021, <https://ecdpm.org/wp-content/uploads/Boosting-EU-Climate-Finance-Mitigate-More-Without-Neglecting-Adaptation-in-poorer-countries-Brief-CA-SCADES-ECDPM-December-2020.pdf>

32 Council of the EU, "Climate finance: EU and member states' contributions continued to increase in 2019", accessed February 18, 2021, <https://www.consilium.europa.eu/en/press/press-releases/2020/10/29/climate-finance-eu-and-member-states-contributions-continued-to-increase-in-2019/>

33 Clare Castillejo, et.al, Financing EU external action: understanding member states priorities, European Think Tanks Group Paper, December 2018, accessed November 19, 2020, <https://ettg.eu/wp-content/uploads/2019/01/Financing-EU-external-action.pdf>

34 Amar Bhattacharya, et.al. Delivering on the \$100 billion climate finance commitment and transforming climate finance, Independent Expert Group on Climate Finance Report, December 2020, accessed February 18, 2021, https://www.un.org/sites/un2.un.org/files/100_billion_climate_finance_report.pdf

35 Ibid.

36 Ibid.

3. SOLUTIONS FOR STRATEGIC, EQUITABLE AND SUBSTANTIAL EU CLIMATE LEADERSHIP

To address the weaknesses of the EU's climate leadership, we propose a new form of leadership, one which is strategic, equitable and substantial. By strategic we mean that the EU takes policy decisions with a long-term perspective, considering implications and the extent to which these choices will be impacted by climate change. By equitable we mean a fair, inclusive, multilateral, and multilevel approach, where all the parties impacted by climate policies are heard – including sub-national actors and civil society.

By substantial we mean concrete action, coupled with financial tools of commensurate size. These three key elements should serve as guiding principles in the EU's external climate policy and its leadership. The five policy proposals below fit this new form of leadership as they anticipate major challenges associated with natural resources and energy, include civil society and youth in policymaking, and provide countries with the capacity to achieve climate goals thanks to targeted investments.

3.1 A Global Platform on the Management of Shared Natural Resources

As climate change progresses, natural resources, notably including water, raw materials, or metals, will become scarcer. Scarcity can spark conflict, drive mass migration, and heighten geopolitical tensions. The threat posed by the diminishing availability of natural resources is not news to political leaders. During the 2019 UN Environmental Assembly, leaders from around the world acknowledged the fundamental importance of natural resource management³⁷. Several fora exist in which policymakers and experts can come together to exchange on the issue, for example the UN's International Resource Panel launched in 2007, which provides 'independent, coherent and authoritative scientific assessments of policy relevance on the sustainable use of natural

resources [...] and [aims to] contribute to a better understanding of how to decouple economic growth from environmental degradation'³⁸. However, a very different kind of platform is needed for discussing the management of shared natural resources. The EU should push for the creation of such a platform.

Appetite for such international initiatives exists at EU level. In its Circular Economy Action Plan, the Commission suggested the possibility of 'initiating discussions on an international agreement on the management of natural resources'. This initiative was supported by the Council in its Conclusions³⁹.

The EU should promote a **Global Platform on the Management of Shared Natural Resources**. Such a platform would provide a forum for already existing shared natural resource platforms, at bilateral or regional level, to join voluntarily under the same umbrella. Hosted within the framework of the UN, the Global Platform could assist them in their activities. Examples of shared natural resource platforms at international level include the Mekong River Commission⁴⁰, the trilateral talks between Egypt over the Grand Ethiopian Renaissance Dam (GERD)⁴¹, the Amazon Cooperation Treaty⁴², or the 'W' Transborder Park⁴³. The International Sava River

37 World Economic Forum, *The Next Frontier: Natural Resource Targets*, White Paper, September 2019, accessed March 10, 2021, http://www3.weforum.org/docs/WEF_The_Next_Frontier_Natural_Resource_Targets_Report.pdf

38 UN Environment Programme, "International Resource Panel – About-", accessed March 12, 2021, <https://www.resourcepanel.org/about-us>

39 Paragraph 12: 'ENCOURAGES the Commission and the Member States to explore opportunities for an international agreement on natural resources management in order to move towards a sustainable and efficient use of natural resources', see <https://www.consilium.europa.eu/media/40928/st12791-en19.pdf>

40 Mekong River Commission, "Mekong River Commission", Accessed March 30, 2021 <https://www.mrcmekong.org/about/mrc/>

41 FAAPA, "Sudan to propose week-long trilateral talks over Ethiopia's Nile dam", October 28, 2020, Accessed March 30, 2021, <http://www.faapa.info/blog/sudan-to-propose-week-long-trilateral-talks-over-ethiopia-s-nile-dam/>

42 Amazon Cooperation Treaty Organization, "Amazon Regional Program", February 6, 2017, accessed March 30, 2021 <http://www.otca-official.info/projects/details/15>

43 African Parks, "W National Park", accessed March 30, 2021, <https://www.africanparks.org/the-parks/w>

Basin Commission, the International Commission for the Protection of the Danube River, or the International Commission for the Protection of the Waters of Lake Geneva provide examples at European level⁴⁴.

Such platforms have experience in transboundary natural resource management but also face challenges. An illustrative example is Laos' non-compliance with the rules of the Mekong River Commission for the construction of the Xayaburi Dam⁴⁵. A Global Platform would bring additional benefits over and above the forums that already exist. These include:

- Greater cross-country and cross-regional scrutiny to enhance compliance with each platform's own rules and functioning. This would mitigate the risk of regional disparities and contribute to stability.
- As each region would participate in the Global Platform as an equal, this would bring an end to international interference in the management of 'own resources'.
- The Global Platform would provide the possibility to share regional best practices, allowing similar platforms to exchange and learn from one another's experience.
- Acknowledgement of each region's efforts to develop sustainable practices in the framework of natural resource management could incentivize further cooperation.

Moreover, the EU should press for a Citizens Assembly to be created as part of the Global Platform. This would help develop a bottom-up approach which is essential when it comes to natural resource management. Citizens from the concerned

countries or regions could draft opinions on the management of the natural resources. The Global Platform could also help foster new shared natural resource platforms, similar with those mentioned above, which could rely on the experience of existing ones. This would be an opportunity for states around the world to cooperate in the development of sustainable approaches natural resource management, based on shared interest.

3.2 A Global Just Transition Fund supporting the transition from fossil energies to renewable energies

The Council Conclusions from January 2021 stress the need for 'a new strategy on international energy engagement [...] taking into account the specificities of particular regions'⁴⁶. As highlighted by IRENA, 'just as fossil fuels have shaped the geopolitical map over the last two centuries, the energy transformation will alter the global distribution of power, [impacting] relations between states, the risk of conflict, and the social, economic and environmental drivers of geopolitical instability'⁴⁷.

To support the shift to renewable energies, and to anticipate the geopolitical and societal consequences associated with it, we propose that the EU encourages the creation of a Global Just Transition Fund (GJTF) managed by the IMF. Thanks to the International Renewable Energy Agency's (IRENA) work in gathering and disseminating knowledge related to renewable energy technologies and policies, a sound understanding of the differentiated

44 Council of Europe, Transboundary water basins in Europe, Committee on the Environment, Agriculture and Local and Regional Affairs Report, Doc. 10131, April 2004, <http://assembly.coe.int/nw/xml/XRef/X2H-Xref-ViewHTML.asp?FileID=10501&lang=EN>

45 International Rivers, "Xayaburi Dam", accessed March 30, <https://archive.internationalrivers.org/campaigns/xayaburi-dam>

46 Council of the European Union, "Council conclusions on Climate and Energy Diplomacy - Delivering on the external dimension of the European Green Deal", 5263/21, January 25, 2021, <https://data.consilium.europa.eu/doc/document/ST-5263-2021-INIT/en/pdf>

47 IRENA, A new world: The geopolitics of the energy transformation, Report, 2019, p16, https://www.irena.org/-/media/Files/IRENA/Agency/Publication/2019/Jan/Global_commission_geopolitics_new_world_2019.pdf

situation of countries around the world is now available. IRENA's soft governance and focus on information have been described as 'one reason why [it] has simultaneously achieved a high ratification rate [163 members] and had an effective start, despite the conventional wisdom'⁴⁸. We therefore believe its role should be limited to providing information on how to promote the development of renewable energies and that it would be better to leave the management of the GJTF to the IMF.

The GJTF would be modelled on the European JTF, except that it will support the transition of all fossil fuel regions, not only those dependent on coal. A core principle of the GJTF should be that any investments in renewable energies and infrastructure should primarily serve the energy transition of the recipient country. Indeed, financing the construction of solar panels in the Sahara Desert for obtaining renewable-based hydrogen for the EU is not only questionable from an energy efficiency perspective, but also from a carbon leakage perspective, as this energy will not be used at national level. Countries should not have to make a choice between profits and decarbonisation of their own energy mix.

Finally, such efforts will only be meaningful if the EU and its Member States withdraw from the Energy Charter treaty. The Charter is currently incompatible with the Paris Agreement and the European Green Deal. The Council's January 2021 Conclusions acknowledge the need for its revision. The recent arbitration claim, filed by RWE against the Netherlands, was based on the Charter. RWE sought 'compensation for the Dutch decision to phase-out electricity production from coal by 2030'⁴⁹. This is a clear illustration of why a change is needed. As noted by MEP Anna Cavazzini from the Greens/EFA, 'it is completely unacceptable that energy giants such as Vattenfall should be able to appeal to private arbitration courts against democratically adopted decisions on climate protection measures'⁵⁰.

We acknowledge the need for private companies to have some guarantees for private investments. Yet, these provisions should no longer apply to the fossil fuel sector. Reforming the Charter to protect only renewable investments is one option. However, achieving agreement on this is unlikely. Considering the urgency to act on the clean energy transition, EU member states should exit the Charter.

3.3 More and better climate financing

Financial commitment is critical to substantiating an effective external climate policy. The EU is already the largest provider of global climate finance. Furthermore, it is stepping up its efforts to mobilise private funding and to include other major countries in this plan. There is, however, still a funding gap. Considering both the EU, and its member states', economic capacity and historic responsibility, it can, and should, considerably increase public funding of climate finance in developing countries. Increased spending should, to a larger extent, be directed towards adaptation. This improvement would bring the EU more in line with the Paris Agreement which emphasizes the importance of balancing financing dedicated to adaptation and mitigation.

Perhaps equally important is ensuring that other areas of EU policy, and external action in particular, do not undermine the EU's climate financing objectives. The overall impact of climate financing would be limited if in its other external actions and

48 Johannes Urpelainen and Thijs Van de Graaf, "The International Renewable Energy Agency: a success story in institutional innovation?". *International Environmental Agreements: Politics, Law and Economics* 15 no. 2(2015): 159-177, p168, <https://doi.org/10.1007/s10784-013-9226-1>

49 CAN Europe. "German energy giant RWE uses the Energy Charter Treaty to attack Dutch climate action", February 4, 2021. <https://caneurope.org/german-energy-rwe-energy-charter-treaty-claims-netherlands/>

50 Greens/EFA. "Energy Charter Treaty". Press Release. October 22, 2020. <https://www.greens-efa.eu/en/article/press/charte-de-lenergie/>

funding the EU supported environmentally harmful sectors. Furthermore, external actions must not cause other problems in developing countries. Consideration should be given to the EU's approach to trade and energy supply. Consequently, the effect of climate finance also depends on other areas of investments, implying that 'green' mainstreaming of external actions may be necessary to ensure a coherent and consistent external policy.

In the European Green Deal, it is emphasized that 'should differences in levels of ambition worldwide persist, as the EU increases its climate ambition, the Commission will propose a carbon border adjustment mechanism, for selected sectors, to reduce the risk of carbon leakage'⁵¹. Such a proposal raises questions related to the purpose, implementation, and political aims of such measures.

Considering the necessity of a CBAM, it has been described by a Bruegel report as 'much pain, little gain'⁵². The very risk of carbon leakage can be questioned. Assessments of current carbon pricing schemes typically find no leakage, 'while ex-ante modelling tends to find limited leakage, with results highly sensitive to underlying assumptions'⁵³. Moreover, when it comes to international climate cooperation, a CBAM does not appear to be the best way forward.

The European Roundtable on Climate Change and Sustainable Transition (ERCST) emphasises the controversial nature of CBAM, primarily due to its

unilateral, extra territorial nature⁵⁴.

When it comes to a CBAM's implementation, many reports have highlighted tensions with the UNFCCC principle of 'common but differentiated responsibility' and the fact that unilateral imposition by the EU would not comply with the decentralised spirit of the Paris Agreement. For instance, a report from the Jacques Delors Institute highlights that 'least developed countries exporting to the European Union, whose lack of access to greener technologies and production methods hampers the transition of their industries, would have legitimate reasons to consider this measure a disproportionate burden on them'. To address this concern, Carbon Market Watch suggests that 'while implementing a CBAM, the EU should recognise other countries' need to develop, as well as the relative impacts of carbon prices, which can be much higher for low-income countries. For this reason, Least Developed Countries (LDCs) and Small Island Developing States (SIDS) should be exempted from any CBAM'⁵⁸.

The EU should also consider alternative measures such as specific agreements like the Agreement for Climate Change, Trade and Sustainability (ACCTS). This has been described by an OECD report as an 'early example focusing on fossil fuel subsidies, product certification and reducing tariffs on

51 European Commission, "EU Green Deal (carbon border adjustment mechanism)", accessed March 30, 2021, <https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/12228-Carbon-Border-Adjustment-Mechanism/public-consultation>

52 Ben McWilliams and Geord Zachmann, "A European carbon border tax: much pain, little gain", Bruegel Policy Contribution, Issue 5, March 2020, <https://www.bruegel.org/wp-content/uploads/2020/03/PC-05-2020-050320v2.pdf>

53 Ibid.

54 Andrei Marcu, Michael Mehling and Aaron Cosbey, "Alternatives to Border Carbon Adjustments – Conceptual Stakeholders Meeting", ERCST Webinar, June 9, 2020, accessed March 20, 2021, <https://secureservercdn.net/160.153.137.163/z7r.689.myftpupload.com/wp-content/uploads/2020/05/20200609-loC-CfDs-ERCST-presentation.pdf>

55 McWilliams and Zachmann, "A European carbon border tax"

56 Andrei Marcu, Michael Mehling and Aaron Cosbey, "Border Carbon Adjustments in the EU: Issues and Options", ERCST Report, September 2020, <https://ercst.org/border-carbon-adjustments-in-the-eu-issues-and-options/>

57 Pascal Lamy, Geneviève Pons and Pierre Leturcq, "Greening EU trade 3: A European Border Carbon Adjustment proposal", Institut Jacques Delors, Policy paper, June 2020, https://institutdelors.eu/wp-content/uploads/2020/10/PP_200603_Greening-trade3_Lamy-Pons-Leturcq_EN-1.pdf

58 Carbon Market Watch, "10 Key Principles for a Carbon Border Adjustment Measure (CBAM)", Position paper, October 2020, <https://carbonmarketwatch.org/publications/10-key-principles-for-a-carbon-border-adjustment-measure-cbam/>

environmental goods⁵⁹. The ERCST also proposes consumption charges or contracts for differences which are less unilateral measures⁶⁰.

The importance of a transparent dialogue with trade partners must also be emphasised. This is something many stakeholders felt has not yet occurred to a sufficient degree according to the ERCST⁶¹. A recent study conducted with 70 experts from 8 different countries, including China and India, highlights the risk of retaliatory measures from certain countries. The EU's experience with the 2008 directive on aviation emissions evidences this risk⁶². Numerous think tanks and NGOs have emphasised the need to design the CBAM as a climate measure rather than a trade measure⁶³. Yet, a recent amendment adopted by the European Parliament to its report on CBAM risks the measure being characterised as the later and thus raises concerns regarding protectionism. This amendment sets aside the original proposal from the Commission that free allowances under the EU ETS should not continue following the imposition of a CBAM⁶⁴. Retaining free allowances and implementing a CBAM will give European industries double protection when it comes to their CO₂ emissions. This sends the wrong signal to trade partners and undermines the EU's credibility as a global climate leader.

First, the EU should invest in more studies related to the risk of carbon leakage to prove

the necessity of a CBAM. It should also engage in active communication and consultation with its trade partners to avoid the spread of protectionist narratives. Indeed, implementing a complex system in a vacuum, only focusing on the risks faced by European companies, might cause trading partners to resort to retaliatory measures similar to those seen following the 2008 aviation directive. A detailed assessment of the impacts that a CBAM would have for developing countries and their own climate and energy transition is much needed. The designed measure should be WTO-compatible. If the EU is serious about the need for a global transition to a climate-neutral economy, free allowances should be phased out and prohibited under CBAM. Finally, to gather support for the measure, its revenues should be directed towards climate action in the EU and developing countries. This would ensure that the international environmental law's 'common but differentiated responsibility' principle is respected.

3.4 A revised 'Common European Asylum System (CEAS)' that accounts for the climate-migration nexus

As noted above, climate migration will become unavoidable as the frequency of climate change related disasters increases and the impacts of global warming, such as drought, flooding, and resource scarcity, become more pronounced. The framework for the protection of environmental refugees is fragmented at both an international and European level. Several global and regional initiatives by international organisation focus on raising awareness of the phenomenon and associated risks. However, their utility remains limited due to their fragmented and voluntary nature.

At European level, the CEAS, the set of EU Regulations and Directives responding to external migration, fails to directly address the protection of refugees in the context of climate change and

59 Andrew Prag, 'The Climate Challenge and Trade: Would border carbon adjustments accelerate or hinder climate action?', OECD Background Paper, February 2020, <https://www.oecd.org/sd-roundtable/papersandpublications/The%20Climate%20Challenge%20and%20Trade...%20background%20paper%20RTSD39.pdf>

60 Marcu, Mehling and Cosby, "Alternatives to Border Carbon Adjustments"

61 Marcu, Mehling and Cosby, Border Carbon Adjustments

62 Konrad Adenauer Stiftung, Perception of the Planned EU Carbon Border Adjustment Mechanism in Asia Pacific — An Expert Survey, March, 10, 2021, accessed March 30, 2021, <https://www.kas.de/documents/265079/265128/EU+Carbon+Border+Adjustment+Mechanism.pdf/fed1d5a4-4424-c450-a1b9-b7dbd3616179?version=1.1&t=1615356593906> p. 80

63 Ibid.

64 Ibid.

natural disasters⁶⁵. Within the EU, only Sweden and Finland include the protection of persons affected by environmental change and natural disasters in their national legislation and both 'suspended their national provisions following the high numbers of migrant arrivals in 2015-16'⁶⁶. A reformulation of the CEAS is necessary to protect those most vulnerable to the impacts of climate change the future.

Firstly, the EU should push for the recognition of climate migration in international, and European law. Climate migrants do not fall within the definition of 'refugee' under the Geneva Refugee Convention 1951. Therefore, people who are forced to migrate due to long-term, climate related threats are treated as economic migrants. This raises barriers to legally entry into the EU⁶⁷. The African Union has already adopted an approach to climate migration, the Convention for the Protection and Assistance of Internally Displaced Persons recognises the position of those displaced by climate related disasters. The so-called Kampala Convention acknowledges climate change as a man-made disaster that creates displacement⁶⁸. The EU could work with the African Union to push for international consensus on the status of climate migrants.

Secondly in order to promote awareness and knowledge-sharing on climate migration and displacement, the EU should support research, data collection and analysis of the impacts that climate change will have on migration and displacement. This could be used to enhance understanding of the future challenges amongst member states, but also

at an international level⁶⁹.

Finally, the EU should draw on international support and rely on expertise gathered to push for the inclusion of climate migration in the CEAS. Migration is a politically charged issue, common agreement between the EU-27 on this issue would be hard-fought. Nevertheless, in her political commitments, Commission President Von der Leyen called for a New Pact on Migration and Asylum. Given the centrality of environmental objectives to this Commission's work programme, an awareness of the implications of climate change should be incorporated into all policy areas of the EU's work. Thus, we suggest that if EU member states move forward with the revision of the Common European Asylum System (CEAS) a definition for climate migration must be included therein.

3.5 Youth influence in actions dealing with climate change

2021 could be our 89 moment. Global lockdowns have provided us with the time to rethink our societies, our consumption models, our links with biodiversity and the extent to which these will be impacted by climate change. Yet, to what extent have young people been consulted on their preferences for the future? Policy manifestos, solutions, and strategies are very often promoted by people who will not live to experience, or suffer, from their effects. Given that our generation will inherit the serious implications of climate change, we can bring a unique, a long-term perspective to policymaking. It is time for our voices to be heard in the formulation and implementation of climate change policies.

65 Albert Kraler, Caitlin Katsiaficas and Martin Wagner, *Climate Change and Migration Legal and policy challenges and responses to environmentally induced migration*, European Parliament Think Thank Study PE 639.313, July 2020, PE 655.591.

66 *Ibid.* p. 15

67 *Ibid.*

68 Marta Rodriguez Martinez and Lillo Montalto Monella, "Extreme weather exiles, how climate change is turning Europeans into migrants", June 17, 2020, retrieved February 10, 2021: <https://www.euronews.com/2020/02/26/extreme-weather-exiles-how-climate-change-is-turning-europeans->

69 EPRS, *Climate Change and Migration*

The Fridays for Futures movement provided a striking example of the global call inter-generational equity. On 'March 15, 2019, thousands of young people from more than 100 countries walked out of school to demand that their governments take action to prevent further climate change⁷⁰. We suggest five measures which could help young people to take an active role in shaping their future on this planet:

a. *Inclusion of the youth in international initiatives dealing with climate change and environmental issues*

We propose that all international organisations, forums, or platforms dealing with climate change and environmental issues should involve youth representation, either through a participatory or an observatory assembly. Young people should not only be included as ambassadors for environmental initiatives. They should also be present while these initiatives are being drafted. Youth assemblies would contribute to draft reports on the work of environmental bodies, ensuring that their voices are heard both inside and outside of the organization. A committee of experts could offer training to youth assemblies before participants begin their work. This would serve the added benefit of fostering democratic culture and active citizenship amongst young people. To ensure broad-based participation, a monthly grant should be awarded to members of such assemblies.

The UN Framework Convention on Climate Change (UNFCCC) is one example of a rare opportunity for young people to share their perspectives. One of the nine civil society constituencies, YOUNGO, is composed of young people⁷¹.

Crucially, youth participation should be incorporated into our proposed Global Forum on Natural Resources, above. We suggest that for each regional management forum, youth from that region would be represented in the form of an assembly.

b. *Better inclusion of the youth within the boards of business companies, NGOs and trade associations related to climate and environment*

We acknowledge that young people are lacking in experience, but their passion and ideology should not be ignored. Surrounded by experienced professionals in companies, NGOs and trade organizations, perspectives from both generations could be combined to achieve joint solutions. We propose the voluntary inclusion of at least one individual aged 27 or under on the boards of private and public organizations that undertake actions linked with climate change and the environment. This individual should be permanently represented on the board and have equivalent status to its other members. This would ensure continuity and equity within the process. To encourage compliance with this initiative, organizations fulfilling these criteria could be awarded a label of youth inclusivity.

c. *Exchange of best practices on teaching related to biodiversity to develop citizen science at global scale*

Citizen science is promoted by the European Commission as one of the best ways to collect a significant quantity of data which, thanks to its scale, is reliable for scientists. Such data can include bird's migratory patterns, the biodiversity of the forest or the level of air pollution in a region. It is essential for fighting climate change. Citizen science also

70 Katharina Lee, Nathalia Gjersoe, Saffron O'Neill and Julie Barnett, "Youth perceptions of climate change: A narrative synthesis". Wiley Interdisciplinary Reviews: Climate Change 11, no. 3 (2020): 641, <https://doi.org/10.1002/wcc.641>

71 Harriet Thew, Lucie Middlemiss and Jouni Paavola, "Youth is not a political

position": exploring justice claims-making in the UN climate change negotiations". Global Environmental Change 61(2020): 1, <https://doi.org/10.1016/j.gloenvcha.2020.102036>

has the advantage of potentially alerting a greater number of citizens to the effects of climate change, particularly those occurring at their own local level. A recent European Environment Agency's report has concluded that 'in the future, the increasing number of citizen science initiatives focused on air pollution, coupled with new data digitalisation approaches, may represent a paradigm shift in the way that air quality is monitored'⁷².

At present, knowledge regarding the ecosystem of a forest, or learning how to recognise invasive species, is not part of most school children's curriculum. At this age, sensitisation to the issue of climate change is key. Sharing of good practices on the teaching of biodiversity and the conservation of ecosystems is necessary and could be facilitated through an international network of exchange. Such teaching could have significant positive effects on climate action from a longer-term perspective as it is far easier to stand up for an issue that one fully understands.

d. Development of a new global ERASMUS with a green component

In December 2020, an ambitious agreement was reached on the new Erasmus + Programme 2021- 2027.[44] Mariya Gabriel, Commissioner for Innovation, Research, Culture, Education and Youth, said that 'over the last three decades, participation in Erasmus+ has boosted the personal, social and professional development of over 10 million people [...]. With almost double the budget for the next programming period, we will now work to reach 10 million more over the next seven years'⁷³.

The current Erasmus + Programme is present in 34 countries⁷⁴. Building on the proposed model of Erasmus+, we suggest a new global programme which would cover more countries at international level and incorporate a green component. This is set out in the objective of the 2021-2027 programme. One of the best ways to appreciate the differentiated effects of climate change, and the main challenges associated with it, is to learn about it in the countries that are most affected. The programme could be monitored by the United Nations.

e. Ombudsman for youth

The EU has multiple control mechanisms to ensure accountability within the institutions, extending these protections to young people would serve to increase their trust in the European project and enhance the voice of youth in institutional decision-making. A Future Generation's Ombudsman, as proposed by European Institute for Environmental Solidarity, could enhance feelings of inter- generational solidarity. The mandate of the Ombudsman would focus on monitoring and protecting the interest of future generations, of which climate protection is a key consideration. The Ombudsman would also engage in regular consultation with youth assemblies and representatives and be easily contactable via forms of media traditionally used by younger people⁷⁵. To ensure accessibility and encourage engagement from young people, the Ombudsman preferably should be someone under the age of 27, preferably with experience in youth civil society or activism.

72 Christer Aagren, "Citizen science for air quality monitoring", Acid News, Airclim. May 2, 2020, accessed 30 March 2021, <https://www.airclim.org/acidnews/citizen-science-air-quality-monitoring>

73 European Commission. " Commission welcomes political agreement on Erasmus+ programme". Press Release. December 11, 2020. https://ec.europa.eu/commission/presscorner/detail/en/IP_20_2317

74 European Commission. "Erasmus + Factsheets", accessed March 30, 2021, https://ec.europa.eu/programmes/erasmus-plus/about/factsheets_en

75 Institute for European Environmental Policy, 'Intergenerational solidarity: What it is and why it matters for Europe's recovery', April 29, 2020, accessed February 28, 2021, <https://ieep.eu/news/intergenerational-solidarity-what-it-is-and-why-it-matters-for-europe-s-recovery>

4. CONCLUSION

The fall of the Berlin wall in 1989 was a pivotal moment for Europe. The 89 initiative is rooted in the spirit of hope and transformation that the European project held in that moment. 2021 could be our next 89 moment. Speaking last year, Commission VP Frans Timmermans stated that we are facing a ‘once-in-a-generation opportunity to embrace a green transition’ and to ‘build back better’⁷⁶. As members of the generation with the biggest stake in ensuring that governments get this right, this policy recommendation reflects our vision building back better should be achieved globally.

The EU must move beyond EU-centric conceptualisations of climate leadership that fail to foresee the long-term implications of climate change on other nations. It must promote a new climate governance that includes all countries in the implementation of global climate policies. Finally, European countries must commit to mobilising the financial support that emerging economies around the world need to bring their industry and societies in line with emission reduction targets.

Strategic, equitable and financially backed solutions are necessary to addressing the looming climate crisis. A Global Forum on Natural Resources could engage all partners as equals to solve resource conflicts. Regions facing the uncertainty and instability of energy diversification could rely on a Global Just Transition Fund. EU Member states working together to mobilise climate finance would contribute to such a Fund and would ensure support for the adaptation efforts of developing countries around the world. Lastly, for the millions that will face the harshest impacts of the climate crisis, an ambitious, forward-looking reformulation of the CEAS will ensure that those that migrate to Europe will be treated in a humane and equitable way.

The choices made now will decide the world we will live in tomorrow. Young people should be given the chance to translate their voice into

action through a new youth-oriented participative approach to climate action. Our recommendations would be a step towards achieving this.

⁷⁶ Frans Timmerman. “The European Green Deal, a stepping stone toward a sustainable future” Lecture, Tsinghua University, China, November 26, 2020, accessed March 30, 2021, https://ec.europa.eu/commission/commissioners/2019-2024/timmermans/announcements/executive-vice-president-frans-timmermans-lecture-europe-an-green-deal-stepping-stone-toward_en





NOTES

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