

Summary - Climate Chance Talk 1

Opening Session

Speakers:

- Laurence Tubiana, Director of the European Climate Foundation (ECF)
- Johan Ransquin, Director of Adaptation, Planning, and Low Carbon Trajectories, Ademe
- Gilles Vermot-Desroches, Director of Sustainable Development, Schneider Electric
- **Steven Heddle**, Orkney Islands Council Scotland, Environment and Economy Spokesperson of the Convention of Scottish Local Authorities (COSLA)
- Anne Barre, Director of Climate and Gender Policy, Women Engaged for Common Future
- Henri Waisman, Director of Deep Decarbonization Pathways Initiative, IDDRI
- Teresa Ribera, Minister for Ecological Transition, Spain

Moderated by Juliette Nouel, independent journalist, and host of La Fresque du Climat

The **Global Synthesis Report on Climate Action by Sector Report** was released on the first week of December and is available in both <u>English</u> and <u>French</u>. A series of **"Climate Chance Talks"** dedicated to the key trends of each sector took place from December $1^{st} - 4^{th}$ 2020, all the recordings are available to watch <u>here</u>.

This opening session focuses on the global trends.

Key points highlighted by speakers:

- 5 key cross-cutting points can be drawn from the Climate Chance Synthesis Report on Climate Action by Sector:
 - 1) The Covid-19 pandemic had a strong impact on climate action, accelerating some positive trends and weakening some encouraging trends of recent years.
 - 2) The energy sector is being restructured, and some European majors are accelerating their investments in renewable energies.
 - 3) Soft mobility is exploding, mainly driven by local authorities.
 - 4) Citizens are mobilising, and no longer hesitate to take legal action against governments or companies to force them to act against climate change.
 - 5) The decline in certain key socio-economic indicators (poverty, reforestation...) threatens climate action.
- Laurence Tubiana (ECF) notes that despite a fragile and timid climate action in recent years, 2020 has seen many state and non-state actors committing to carbon neutrality. The real economy must now accompany this movement and put pressure on States to make even stronger commitments.



- Johan Ransquin (Ademe) emphasised the fragility of economic actors due to the economic and health crisis. This could slow down "green" investments, but the recovery could also be an opportunity to change practices.
- According to **Gilles Vermot-Desroches** (Schneider Electric), the crisis is a major turning point in the use of digital technology within companies. It also allows a reflection on the relocation of activities and leads to a boom in the climate commitments from major groups. In the coming years, companies have two major challenges: to get their suppliers to commit to carbon neutrality and to promote climate and environmental commitments in their products.
- For **Steven Heddle** (COSLA), the pandemic shows the essential role of local authorities in the fight against climate change and in the resilience of communities. Greater cooperation between the different levels of decision-making will be essential to organise climate action in the coming years.
- Anne Barre (WECF) highlighted how gender inequalities were accentuated during the pandemic, but also led to many solidarity initiatives by women's organisations. She regrets that the post-Covid recovery plans only concern the formal economy. However, the informal economy, in which women are predominantly invested and which represents a huge part of activity in developing countries, is essential in the fight against climate change and should therefore be more integrated into state climate policies.
- Henri Waisman (IDDRI) retains four ideas after reading the Climate Chance Synthesis Report 1) The Covic-19 crisis makes it possible to distinguish between robust transition trends, which have not been impacted, and fragile trends, which have been impacted or even reversed. 2) The Covic-19 crisis reveals the fragility of economic models that rely on fossil fuels, and therefore the need to get out of it quickly. 3) Non-state actors have a key role to play in the transition, and there is a need to coordinate actions between the different levels of actors to achieve a coherent whole, rather than a multitude of isolated actions. 4) The crisis reveals the strong interdependence between the Sustainable Development Goals and climate objectives.
- In conclusion, **Teresa Ribera** (Minister for Ecological Transition, Spain) stressed the importance of non-state actors in the fight against climate change, and to regularly take stock of the actions carried out to see what works and what does not, as the Climate Chance Observatory does.



Introduction: Key Takeaways from the 2020 Synthesis Report on Climate Action.

By **Ronan Dantec**, President of the Climate Chance Association, **Amaury Parelle**, Coordinator of Climate Chance Observatory, **Antoine Gillod**, Research officer of Climate Chance Observatory

Climate and Covid-19: an non unusual year, which accelerates the restructuring of the energy sector and highlights the essential role of local authorities in the transformation of mobility:



The post-covid recovery plans reaffirm the central role of the States and partly condition the emission trajectories of the coming years:



• Since the Paris Agreement, States have struggled to mobilise funding in line with what is required for the 2°C pathway. Recovery plans and emergency aid are redirecting considerable financial resources towards sectors deemed a priority by States, sometimes without any concessions including for high GHG emitters.

• Already at the heart of the climate agenda in the runup to a review of contributions to the Paris Agreement, the recovery plans strengthen the role of States in the strategic, economic and financial steering of the ecological transition. The decline of key socio-economic indicators:



• The health/economic crisis is reversing progressive trends that have been tracked for several years or even decades by socio-economic indicators such as food security, access to clean energy, health and education.

• The fall in household income could jeopardise climate objectives, as energy solutions retained may be more economical but also more emissions and pollution intensive. For example the decreased popularity of public transport exemplifies a trade-off between human health priorities and emissions reduction.

Civil society is increasingly taking up climate issues, and no longer hesitates to use judicial weapons:



 Although action coalitions and cooperation initiatives struggle to reach their objectives, a growing understanding and awareness coalescing around carbon neutrality over the past two years has influenced companies, cities and financial actors to take action on their emissions perimeters.

 Mass climate rallies, civil disobedience and legal actions are giving rise to a new arena to fight for climate justice. Outside institutional channels, this arena is taking over the climate language to challenge actors' behaviours, reverse economic sectors' trends and transform national and international action frameworks.

 Institutions have begun to respond by integrating the voices and skills of citizens into the formulation of climate policies. Examples include randomly selected citizen committees and experiments in community forest management, scaled up by national or international authorities.



Opening: Laurence Tubiana, Director of the European Climate Foundation (ECF)

The last few years have been difficult for international climate negotiations: the USA's departure from the Paris Agreement, the lack of cooperation from Brazil and Australia etc. But in the meantime, actions led by non-state actors have not faltered.

2020 was supposed to be the year of the global emissions peak, but this is not actually the case: the drop in 2020's emissions will be due to the Covid-19 pandemic and not to climate action.

Many stakeholders are taking action. Carbon neutrality is an increasingly adopted goal, often doubled up with detailed pathways. Soft mobility, renewable energies, change in agricultural and consumption models... Many drivers exist to reduce emissions.

2020 has finally seen some countries also commit to these ambitions of carbon neutrality: China, South Korea, Japan... The real economy must join the action of governments and put pressure on them. Mobilisation must intensify today until the new NDCs (National Determined Contributions) in Glasgow.

Discussion:

• Johan Ransquin, Director of Adaptation, Planning, and Low Carbon Trajectories, Ademe

Question: What do you retain from the Climate Chance Synthesis Report, and how does it echo your experience in the field with Ademe?

The impact of the crisis is mainly negative for the climate, mainly because actors are more concerned about their economic survival than by climate issues. But it is also an opportunity for a "green" recovery, and Ademe has a budget of 2 billion euros to work with the actors in this direction.

Many things are put in place to accompany the recovery. A small concern: some actors may have difficulty in investing, and Ademe never finances 100% of projects, often between 25% (for large companies) and 80%.

Some actors had already planned to invest and are taking advantage of the crisis to concretise that. Others are stopped and must start again: Ademe must accompany them so that it is in the right direction.

To sum up, Covid-19 is putting the brakes on. We need to be positive and to start again, and fortunately there are people who want to go in the right direction. Moreover, these 2 billion euros will allow Ademe to turn to actors it wasn't used to accompanying before (tourism for example).

• Gilles Vermot-Desroches, Director of Sustainable Development, Schneider Electric

Question: How did Schneider experience Covid-19? How does your experience echo with the frameworks set by the Climate Chance Observatory?

Schneider is present on all continents, so the successive waves of lockdown have had a continuous impact on the company's activities. The company is very used to digital management, so it was not difficult to switch entirely to virtual. There has been a drop in activity, particularly in the building sector, but also an acceleration of the dynamics on essential needs: support for hospitals, food supply chains, etc.

Digital will certainly be the great change of this crisis, which would not have been possible a few years ago. Even if the climate impact of the sector is significant, the rise of digital technology will



allow overall progress for the climate, particularly thanks to the IoT (Internet of Things), which will allow for greater efficiency and therefore energy savings.

The "local" rational is gaining momentum in all countries. Schneider is committed to this rationale: with over 80% of Schneider's supply produced in the continent where it is distributed.

A major progress to note this year: on a global level, never have companies made so many climate commitments (notably carbon neutrality objectives), and the Covid-19 crisis has accentuated this.

The two major trends for companies to come, which will intensify and help raise awareness:

- 1) Embarking suppliers in carbon neutrality objectives.
- 2) Leaving the "corporate" discourse related to climate commitments and moving to a product discourse. In other words, understanding and highlighting how all these issues will enrich the value of products.

The third issue on which Schneider is positioning itself: how can the company be a player in reducing the carbon impact of its customers? How can it be measured? All companies should put this subject at the centre today.

To conclude: The pandemic has accentuated a dreaded trend: the world's poor are young people. Today 1.8 billion people are between 15 and 28 years old. One in six young people have lost their jobs since the beginning of the pandemic. In France, the poverty level of young people has doubled. This is a colossal challenge for the business world and for the world in general.

• Steven Heddle, Orkney Islands Council - Scotland, Environment and Economy Spokesperson of the Convention of Scottish Local Authorities (COSLA)

Question: How has the Covid-19 crisis impacted your objective of a just transition to low carbon?

For several years now, Scotland has been committed to an ambitious climate initiative: carbon neutrality by 2025. The country has developed wind power, tidal power, energy efficiency and storage techniques. The crisis has weakened this dynamic and brought other more urgent issues.

How to adapt, at the local level? Priorities will have to be defined, and ambition and effort will have to be redoubled. We will have to assess the risks and costs and focus more on transport and energy, which have been very finely analysed in this Climate Chance Report. Local governments have a crucial role to play in achieving these goals, for example in the circular economy sector. There are a lot of opportunities.

Concrete examples: local authorities have played a key role in setting up charging networks for electric vehicles. They have had to take very quick action to maintain public transport despite a reduction in demand of almost 80% during the pandemic.

• Anne Barre, Director of Climate and Gender Policy, Women Engaged for Common Future

Question: WECF's mission is to build with women a sustainable and equitable world. Has the pandemic deepened gender inequalities?

WECF do a lot of field work, with organisations in all countries, but also globally, as a member of the Women and Gender Constituency. A local and international vision.

This crisis has deepened gender inequalities. First, because it has been a source of increased violence, particularly domestic violence because of the lockdown measures and the decline in the supply of transport. Also because it has deprived many women of income. The crisis has been a very significant cause of income loss for people in the informal economy, i.e. mostly women,



especially in developing countries. State responses focused on the formal economy. For example, in Morocco, women agricultural producers organised in cooperatives have not been able to benefit from Moroccan government aid because they do not have the status of employees. They are, however, people who contribute very strongly to the economy of their region, but they are totally deprived of income today.

To make the link with climate action: very often there is a potential for ecological transition in the informal sectors, for example in food production. Yet there is a clear lack of support for these sectors. It is essential to integrate the informal economy into policies because these people can play an important role in the climate fight.

Independently of aid: in all feminist networks, solidarity action is being coordinated. For example, hundreds of feminist organisations have set up a solidarity self-help platform "*The feminist response to Covid-19*", to keep informed about the difficulties they faced in their countries, the possible human rights violations that were observed and the self-help and solidarity actions that that took place. An illustration of what civil society can achieve in terms of resilience and solidarity.

Finally, to give a last example of concrete climate action that was slowed down by the Covid-19 crisis: WECF sets up an annual prize to promote "Gender and Climate" initiatives. A winner of this prize has developed a rainwater harvesting technology that prevents flooding during monsoons and provides irrigation during the dry season. This organisation has not been able to set up all the facilities for these systems due to the constraints of lockdown measures and the crisis (food and economic) in India. Evidence that climate action is being held back.

There is still a positive message at the end. There is a lot of hope generated by this solidarity, which has helped many people in the field to get out of the crisis. However, we must remain very vigilant about the violence that affects women today. We must realise at the same time to what extent these actors in the field are fundamental pillars of resilience during a crisis. These organisations, especially women's organisations, must be better integrated into climate policies. We do not realise to what extent this inclusion would increase the impact of these policies.

• Henri Waisman, Director of Deep Decarbonization Pathways Initiative, IDDRI

Question: As a coordinator of an international decarbonisation project, what can you learn from this crisis and what is your analysis of this Climate Chance Observatory Report?

Congratulations to the Climate Chance team, acknowledgments for the analysis in this precise and complete report illustrating fundamental points to put the crisis back into the global context of climate change.

Four points are highlighted from the reading of this report:

- The crisis has revealed the existence of robust transitions, which have not been greatly impacted, but also of fragile trends that have been impacted by the crisis. For example, the small return of coal. If every time we face a difficulty we return to coal, it will be difficult to achieve the climate objectives. Finding ways to make the fragile trends more robust is crucial.
- This crisis has revealed the fragility of some economic models: those based on fossil fuels are relatively fragile in the face of disruptions. This underlines the need for radical transformations. Are the recovery plans adequate? They need to be consistent with the objectives, if not there is a huge contradiction.
- Non-state actors have a crucial role in the transition. Transformation needs to be thought by all actors, which requires good collaboration. Everyone has a key role; actors must coordinate their ongoing actions together: coherent strategies must be created between



actors. The increase in commitments made by private actors, or by local authorities, is particularly good, it is time to move from commitments to strategy. Explicit strategies for transformation must be put on the table and the modalities must be found for these commitments to be discussed with the other actors.

The crisis highlights the fundamental link between development and climate. This crisis reveals the great inequalities in our world and gives a glimpse of what could happen with climate change (as a reminder, the IPCC's "1.5°C" report talks of hundreds of millions of people who will slide into poverty with +2°C). This crisis shows the importance of building strategies that are not only climate but also development strategies.

To conclude: the crisis has both accelerated and slowed down climate strategies. But above all: it has accelerated the agenda extraordinarily, since recovery plans mean that money is being spent faster, and this money spent today will very strongly condition our future ability to respond to climate challenges.

Final question for all speakers: Which actors are doing best?

Johan Ransquin: The crisis has shown the resilience of local communities and has shown that society can be trusted to recover from such shocks.

Gilles Vermot Desroches: After lockdown, the world will be different, it is not just a passing phase. Work will never be the same again (for example, remote working will become the norm), the city will be built differently, efforts we make to reduce emissions will not be the same, a circular world will emerge. And in fact, in this world, parts of yesterday's activity will no longer be adapted and will have to be strongly transformed.

Innovation is key. In the last few centuries, no innovation has come out of the head of a person over 30 years old. It is therefore necessary not to let young people down, to give them the necessary space and time for innovation.

Anne Barre: This crisis reveals that we must integrate the Sustainable Development Goals (SDGs) into the climate agenda to have more efficient climate action. Thank you to the Climate Chance team for integrating this analysis with the SDGs prism in the report.

Steven Heddle: The biggest lesson of this crisis is the scale that local governments can take when they are needed. This scale must now also be translated into climate action.

Henri Waisman: This crisis has shown that we can change. We are going to face radical changes; "do we want to take control of them or undergo them?" We can make something positive out of it by building dynamics of collective action.

Conclusion: Teresa Ribera, Minister of Ecological Transition, Spain

Non-state actors have played a key role in climate action and must continue to do so. Cities must be at the forefront of decarbonising our energy consumption and mobility. Investors must integrate climate risks into their investment choices. The media must play their role in raising awareness on these issues. And researchers must continue to understand the risks and levers for action.

It is important to bring together all these players in the fight against climate change. And it is crucial to take the time to take stock of what works and what does not, as the Climate Chance Observatory does.



The crisis shows how important it is to prepare for climate change. We need to build a much more resilient and transformative recovery in order to avoid the dramatic consequences that climate change can bring.