

Dear Readers,

The end of 2011 saw a number of interesting developments. The climate conference in Durban outlined a roadmap for all countries to commit to a global climate deal with binding greenhouse gas targets starting in 2020. However, crucial differences on various aspects of the pact, including between Washington and Brussels, still remain. The recent inclusion of aviation emissions from domestic as well as foreign airlines in the European Union Emissions Trading System has also caused a dispute across the Atlantic. It is yet another prominent example of the need for an improved transatlantic dialogue on the future of climate governance. Europe and the United States should work towards a climate framework that is capable of integrating different perspectives on how to reduce emissions most effectively.

Once more, this issue of CONNECTED showcases the variety of transatlantic leadership on climate and energy. The International Carbon Action Partnership (ICAP) brings together representatives from different levels of political organization, including British Columbia, California, the EU and Germany. It offers its members a forum to share experiences and knowledge on how to design and implement greenhouse gas markets. Another important initiative is the Clean Energy Ministerial which has developed into an innovative network that brings together leading representatives of governments, academia, and international organizations. The Ministerial's Solar and Wind Working Group is currently producing a prototype Global Solar and Wind Atlas that will offer an important support tool for the future expansion of renewable energies.

The need to connect leaders from both sides of the Atlantic while accepting different speeds of technical innovation and policy implementation will likely continue to dominate climate and energy relations between Europe and the United States in 2012. This edition's "Face to Face" interview features Stefan Mair, Executive Board member of the German Federation of Industries, and Kyle Gracey, Board Director of SustainUS: the U.S. Youth Organization for Sustainable Development. Despite their differing provenance, both identify education on climate and energy issues as a promising transatlantic project. In our op-ed, Hermann E. Ott, Member of the German Par-

liament and the Green party's Climate Policy Spokesman, outlines the strategy of a "climate policy of different speeds." This approach recognizes that eventually all countries must join a global climate protection architecture - but not necessarily at the same time.

This newsletter again describes the efforts of leaders with strong ambitions, such as the state of Vermont which announced its goal of a 90 percent share of renewable energies in 2050. Meanwhile, new numbers for German energy consumption once again show how a long-term policy framework can guide the expansion of renewable energies. Given these promising areas for transatlantic cooperation, we believe that there is reason for careful optimism in 2012. We wish our readers a happy and successful New Year, in which we hope you will stay CONNECTED!

*Dennis Taenzler
adelphi*

*Alexander Ochs
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OP-ED

Climate Change: Moving ahead without the US to get them on board later

by Dr. Hermann E. Ott

A couple of years ago, I dreamt about an op-ed that I hoped to write for the New York Times entitled: "The US will lead on climate change!" Today, I want to write an op-ed for the NYT, but it would certainly now have a different title. This is because though the times have changed, the US has not.

The US was again one of the bullies at the climate conference in Durban this past December. With so many outright climate change deniers in Congress, President Obama - at the beginning of his 2012 presidential campaign - does not seem interested in advancing the issue on an international level, thereby holding back the international process. In the final days of the negotiations when chief US negotiator Todd Stern was about to give his statement, a young woman from the US youth movement grabbed the microphone and declared that she was "vocalizing an interest of the United States of America since my negotiators cannot," urging Stern to agree to a binding treaty. While Stern dismissed these concerns as "misconceptions" of the US position, protesters roamed the corridors of the conference center in Durban, shouting "US out, US out!"

Does this mean we need to forget the US when it comes to combating climate change? The answer is a clear no. While the US does not seem to want to play a constructive role in the UN process, there are still some signs of progress in the US. President Obama has just announced a 4bn US\$ "Better building" program aimed at increasing energy efficiency and many states and cities taking serious measures to address climate change. Seizing on these efforts within the US despite the lack of national mitigation measures is the key for transatlantic cooperation that is already taking place between communities and regions, e.g. through the US-German Transatlantic Climate Bridge.

However, within the UN Process the US ought to step aside and stop blocking the progress that other nations are striving for towards a robust and legally

binding climate regime. The UN Process must continue, but moving forward it must be driven by countries and groups of countries moving forward with more ambition. We call this a "climate policy of different speeds": recognizing that eventually all countries must be in the boat - but not necessarily at the same time. In doing so, even reluctant players like the US can be influenced, not least by seeing from others' experience that climate protection makes sense not only from an ecological but also from an economic perspective.

The effectiveness of this climate policy of different speeds was demonstrated recently when the EU moved forward with its plans for including airlines in its Emission Trading System. While this caused fury in the US Congress, which even led to the passing of a motion forbidding US airlines from taking part in such a system (it still remains to be seen how this will play out), the progressive action of the EU has now led the International Civil Aviation Organization to at least consider a global emissions regime for airlines - a measure for which the EU has been advocating for years.

On an international level, the situation could parallel the International Convention of the Law of the Seas which is still awaiting US ratification. Despite not having ratified the treaty, the US abides by its most important rules, and all major marine industries in the US are now pushing for ratification because they consider it to be in the US' interests to do so. Instead of continuing the mistakes of the past 20 years by trying to force the US into a climate regime, the rest of the world should move forward without the laggards, while leaving the door open to let them come on board later.

And I am sure that I will someday be able to write the op-ed in the NYT that I once dreamed of: "The US will lead on climate change".



Dr. Hermann E. Ott

Member of the German Parliament
The Greens Climate Policy Spokesman
Member of the Parliamentary Study Commission on "Growth, Wellbeing and Quality of Life"

POLICY UPDATE

“Energy secessionist” Vermont

Vermont’s new governor, Peter Shumlin, is paving the way for a new energy future for the New England state. The 2011 [Comprehensive Energy Plan](#) addresses policies and measures for electricity, thermal energy, transportation, and land use. The Plan aims to meet 90 percent of Vermont’s energy needs from renewable sources by 2050. As [the governor stated](#) in December, this plan will help reduce the state’s carbon footprint, partly in response to increasing extreme weather events affecting Vermont. As Stephen Lacey wrote in an article on [Climate Progress](#), the program could “put it on a path toward ‘energy secession’”.

Renewable energy use reaches 20 percent share in Germany

Renewable energies now account for 20 percent of German electricity supply. At the same time, about 5 percent less energy was consumed in 2011 compared to the previous year. These are only a few of the statistics published by [“Arbeitsgemeinschaft Energiebilanzen e.V. \(Working Group Energy Balances\)”](#) in late December. The reduced need for heating due to a relatively mild winter, as well as higher fossil fuel prices, contributed to energy savings. The consumption of oil went down by 3 percent, gas by 10 percent, coal by 0.7 percent and nuclear energy by 23 percent. “The solid growth of renewable energies is a great success and confirms the German government’s energy policy. We have been resolutely and reliably supporting renewable energies for almost a year now. The investment security this entails is now paying off,” Norbert Röttgen, Federal Environment Minister, [commented](#) on the new numbers.

Divided: Gearing up for further tension on aviation emissions

The European Court of Justice has [upheld](#) a previous [finding of the Advocate General](#) that inclusion of aviation emissions, including those of foreign airlines, in the European Union Emissions Trading System is compliant with European and international law. The finding follows on the heels of the passage of bills in the [US House of Representatives](#) and

[Senate](#) that prohibit American airlines from participating in the system. As the clock ticked to January 1, 2012 when [aviation was included in the EU ETS](#), US Secretary of State Hillary Clinton and Transportation Secretary Ray LaHood objected to the court’s decision and said that the US would be “compelled to take appropriate action” in response.

Motion for expansion of transatlantic climate cooperation

The Green Party faction in the German parliament, the Bundestag, has brought forward a motion to make climate protection a focus of transatlantic cooperation. Citing the importance of the American role in any efforts to limit average global warming to 2 degrees Celsius, the motion calls for the German government to expand policy, technical, and scientific cooperation between the US and Germany/EU in the field of climate change. Such cooperation is needed not only on the political level, but also between civil society, environmental interest groups, academia, and media on the national and sub-national levels, building on existing German-American state affiliations. This should be carried out through expansion of the Transatlantic Climate Bridge, among other measures. The motion was introduced in a plenary hearing on Friday, November 11, 2011 and was then referred to the Environmental Committee for further consideration. The Greens currently have 68 out of 620 seats in the German Parliament. Read the motion here: [English / German](#)

An Energy Roadmap for Europe

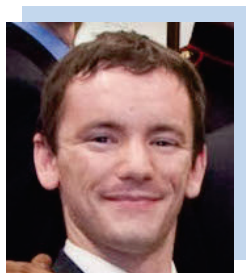
On December 15th, the European Commission presented its Energy Roadmap [outlining](#) different potential pathways for energy development. The EU has a goal to reduce greenhouse gas emissions to 80 – 95 percent below 1990 levels by 2050. The Roadmap explores seven different scenarios for achieving this goal. These scenarios and the analysis of their impact on energy costs and prices will help Member States make the informed policy choices. The share of renewable energy rises substantially in all seven decarbonisation scenarios, achieving at least 55 percent in gross final energy consumption in 2050, up 45 percentage points from today’s level of around 10 percent. The share of renewables in electricity consumption reaches nearly 65 percent in the High Energy Efficiency scenario, and as much as 97 percent in the High Renewables scenario.

FACE TO FACE

A transatlantic conversation with Kyle Gracey (SustainUS) and Stefan Mair (BDI)

CONNECTED: Kyle, Stefan, how do you think the Durban climate summit will help build a more sustainable world?

Kyle Gracey: The Durban climate negotiations showed that, even in a very difficult international process, one which essentially demands global consensus to get anything done, nations still agreed to cooperate in limiting humanity's damage to the planet. The Durban agreements provide tools and timelines to build more sustainable action with. The questions now are: How effective will these tools be? How much money will governments devote, how much clean energy will they create, etc., and will we meet or beat our deadlines - especially to avoid crossing expensive climate tipping points we can't get back from?



„The Durban agreements provide tools and timelines to build more sustainable action

Kyle Gracey

Stefan Mair: The Durban package will hopefully lead to a new agreement that will merge the current two-track negotiating process into one, and will end the exemption from binding emissions reductions currently enjoyed by developing countries - particularly by major emitters such as China - as enshrined in the Kyoto Protocol. For this reason alone I think the agreements are significant. The Technology Mechanism and the Green Climate Fund will start operating next year as a result of the agreement, and the discussion amongst parties will now shift to bring about

technological changes and to finding sources of financing. The BDI also thinks that questions relating to monitoring, reporting and verification absolutely need to be further developed during 2012 and eventually to be resolved.

CONNECTED: *So both of you are fairly optimistic regarding the Durban outcomes. If you review current climate and energy initiatives, what is the most encouraging approach you see on either side of the Atlantic?*

Kyle Gracey: On my side of the Atlantic it's a combination of California's climate law and the Environmental Protection Agency's (EPA) greenhouse gas regulations. Both are small now, but what California does, America follows, and the EPA regulations will increasingly incentivize clean energy and efficiency innovations. In Europe, I'm excited about the European Institute of Innovation & Technology's Climate Knowledge & Innovation Community, particularly because of how they're engaging young entrepreneurs. Those, plus the general increase in climate change research spending around the world - it's not enough money for the size of the problem, but it's improving.

Stefan Mair: On the US side - despite the present inertia, or should I say paralysis, of the Federal level - a lot of things are happening in some of the states, and topics like energy efficiency improvements and promotion of renewables are gaining momentum. The EU played an active role before and during the Durban Conference, and I believe that it will keep up the pressure on the issue and pursue its efforts to secure a legal framework for international climate action which should be up and running by 2020. German industries advocate for a clear and credible roadmap to 2015, which this time will engage all countries according to their different capabilities (which surely have increased considerably since 1997 for quite a lot of countries). In our view, progress needs to be made concerning market-based mechanisms, and we do hope that consolidation of the EU ETS and activities in Australia and elsewhere will eventually lead to a global carbon price.

CONNECTED: *There seems to be a need for new alliances and approaches in international environmental policy. Imagine you are asked to partner with Stefan Mair what activities come to your mind?*

Kyle Gracey: We absolutely need to work together more - start with activists advocating more targeted training to students to prepare them for climate-fighting careers, partnering with existing clean tech industry companies. Follow that up with industry being more willing to stand with activists in calling out companies that are blocking progress on climate action. Finish with regular strategy sessions between top-down company executives and bottom-up grassroots campaigners, creating a more coordinated and universal sustainability strategy that combines the might of industry with the power of the people.

Stefan Mair: In my perspective, this is not about environmental policy - at least not solely; this is all about development possibilities and sustainable economic growth, and yes, we do need new alliances



„ It is absolutely necessary to strengthen education so that young people have a chance to understand the complexities of climate change and find sustainable solutions “

Stefan Mair

in these fields. First and foremost we believe that it is absolutely necessary to strengthen education in general so that young people have a chance to understand the complexities of problems like climate change and find sustainable solutions, which cannot be built by some countries alone. True solutions will require fair and equitable cooperation between most, if not all countries, given that we are more and more exposed to global risks.

Kyle Gracey is Board Director of SustainUS: U.S. Youth for Sustainable Development. See also his [blog](#) on the Durban climate conference.

Dr. Stefan Mair is member of the Executive Board of the Federation of German Industries (BDI). Find out more on BDI's activities [here](#).

IN FOCUS

Electric mobility: For the environment, and for the future

by Dennis Taenzler, adelphi

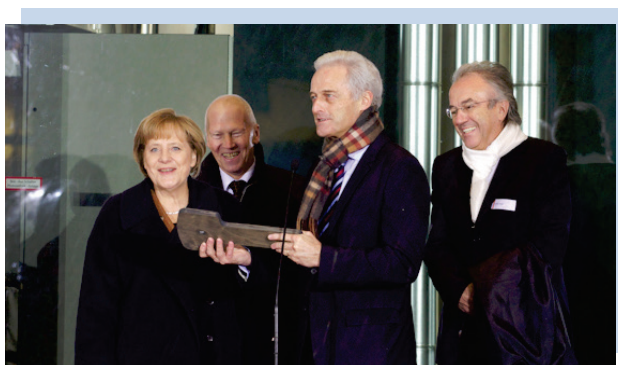
Electric vehicles hold the promise of providing mobility that is both environmentally friendly and fit for the future. The influence of electric mobility on daily mobility behavior is increasing and will have significant effects on the automotive supply chain and industrial production. Against this backdrop, the German government has stressed its promotion of electric mobility. Germany aims to have one million electric vehicles on the road by 2020, as outlined in the 2009 **National Development Plan for Electric Mobility**, equivalent to about 2 percent of today's fleet. To achieve this target, the German government initiated the National Platform for Electric Mobility (NPE) which is a dialogue-based approach to bring together companies, the business community, researchers, and civil-society representatives to agree on a common path towards electric mobility.

"Electric mobility is acting as an additional incentive to expand renewable energies and playing a pivotal role in the transformation of our energy supply."

As a result of the Platform's recommendations in its **second report published in summer 2011**, the federal government decided to provide an additional €1bn to fund research and development which is a doubling of the government's efforts in this area. This funding is in line with what ministers of involved departments have repeatedly emphasized: the need to avoid a subsidies-based approach but rather to advance technical expertise. The NPE report further argues that Germany needs to target comprehensive efforts toward two key priorities apart from research and development: education and training for skilled workers and managers, and a strategic, globally-oriented approach to standardization. Standardization could provide one promising area for a transatlantic dialogue on electric mobility. Such collaboration was encouraged by German Parliamentary State Secretary in the Federal Environment Ministry,

Katherina Reiche, during her visit in California last summer (see [CONNECTED 3/2011](#)).

One of the key challenges is to link the mobility question with that of a sustainable energy use. **According to Norbert Röttgen, Federal Environment Minister**, "to power electric vehicles exclusively with electricity from additional renewable sources is good environmental policy and will boost acceptance of this new technology. Electric mobility is acting as an additional incentive to expand renewable energies and playing a pivotal role in the transformation of our energy supply. Were it not for electric mobility, the transport industry would be unable to make the necessary contribution towards protecting the climate." There is truly a need to show that both areas, mobility and sustainable energies, can go hand in hand. Taking one step in this direction, the Federal Chancellor, Angela Merkel, and the Federal Minister of Building, Peter Ramsauer, **jointly opened** the "Efficiency House Plus" in Berlin in December. The Federal Building Ministry's showhouse combines energy efficiency and electric mobility by producing energy, which is then used to power its occupants' electric vehicles. Next year, this scheme is to be tested for one year by a family in real-life conditions.



Federal Chancellor Dr Angela Merkel and Federal Minister of Building Dr Peter Ramsauer (Source: BMVBS)

CEM Progress: A Global Atlas on Solar and Wind Energy and more

by Dennis Taenzler, adelphi

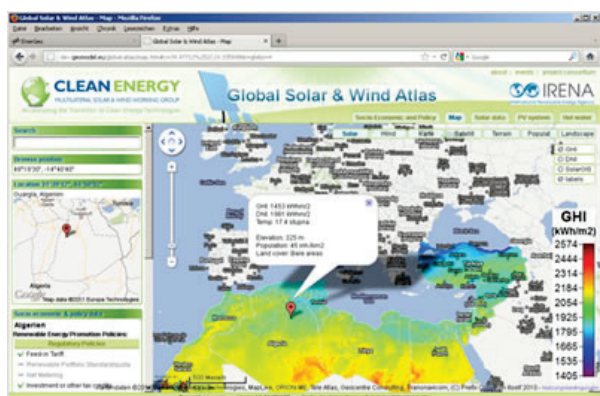
In order to promote the global expansion of clean energies, selected countries have been cooperating for more than two years as part of the **Clean Energy Ministerial (CEM) initiative**. CEM was initiated in 2009 to bring together ministers with responsibility for clean energy technologies from the world's major economies, including the US and Germany, and ministers from a select number of smaller countries that are clean energy leaders. The initiative builds on Technology Action Plans (TAPs) that were released by the Major Economies Forum Global Partnership in December 2009, which laid out best practice blueprints for clean energy development in key technology areas. Working groups within CEM were formed to follow up on the recommendations of the TAPs.

One of these groups, the **Multilateral Solar and Wind Working Group**, met in Berlin, Germany, on 22 November 2011 to discuss progress on current projects and to prepare for the third Clean Energy Ministerial (CEM3) in summer 2012. Initiated by the governments of Germany, Denmark, and Spain, the Working Group has acted as a lively forum of exchange between the 13 governments — plus the European Union — that are involved, as well as a multitude of experts from industry and academia. The Working Group has also liaised with key international organizations and networks such as the **International Energy Agency (IEA)**, the **International Renewable Energy Agency (IRENA)**, the **Renewable Energy and Energy Efficiency Partnership (REEEP)**, the **Renewable Energy Policy Network for the 21st Century (REN21)**, and the **United Nations Environment Programme (UNEP)**.

During the meeting, a prototype of the Global Atlas on Solar and Wind Energy was presented. The Atlas will be refined over the next few months to better represent user data needs and integrate additional tools and data sets. The Working Group presented an updated prototype of the atlas at the IRENA Assembly in mid-January 2012, in addition to holding an end-user workshop alongside the Assembly to collect additional input.

Capacity-building projects as an output of another Working Group have also made progress in the past few months. The **Renewables Academy**, based in Germany, is implementing train-the-trainer pilot projects in Mexico and Costa Rica. In addition, the Spanish Ministry of Industry, Tourism and Trade, through the **Institute for Energy Diversification and Saving (IDAE)**, is continuing to build and enhance the Capacity Building Institution Networks website, which will serve as the Working Group's online hub for capacity-building information and linkage with other initiatives and institutions in the field. IDAE is also launching a joint program with Spain's School for Industrial Organization that will provide seven scholarships for public-sector officials from Latin America to pursue an online **Master's program** on renewable energies and the energy market.

A prototype of the Global Atlas on Wind and Solar Energy.



(Source: www.cleanenergyministerial.org)

Looking ahead, the **IRENA Renewable Energy Learning Partnership** will present its first prototype of an online training and education database at the IRENA Assembly. By March 2012, the Capacity Needs Assessment Group will develop a handbook and toolbox to provide concrete guidance for developing capacity needs assessments. The **Multilateral Solar and Wind Working Group** will next meet in Madrid, Spain in late spring 2012.

Aging and climate change

by Aki Kachi, adelphi

Different generations will bear different responsibility for, and will have to cope differently with, climate change. Populations since the industrial revolution have contributed to the bulk of historical greenhouse gas emissions, while it is the today's youth and future

"Average emissions per person will climb over one's lifetime until the age of 65 and then fall"

generations that will suffer the most ill effects. But what about the various phases of life we go through? And what effect do changes in age demographics of different societies have on greenhouse gas emissions? Emilio Zagheni, researcher at the Max-Planck-Institute for Demographic Research (MPIDR) in Rostock, Germany, **has looked at exactly these questions** among Americans and identified some interesting trends.

UN projections estimate that the number of people over 65 years old will grow to 13 percent of the global population by 2035, from 8 percent today. According to Zagheni, average emissions per American (and by extension countries with similar consumption patterns) will climb over one's lifetime until the age of 65 and then fall. His estimates are based on the consumption basket of an Americans through life, taking into account increases in income and other factors. That means that with a constant population, an aging society will tend to emit more greenhouse gasses as its demographic bulge approaches 65, then peak, and become relatively more climate-friendly. On the other hand, in the medium term people over 70 still produce more emissions than people at age 30, and rising life expectancy and aging population is projected to increase emissions.

American life expectancy is expected to increase from 78.3 in 2010 to 87.5 in 2050. So Zagheni says the increasing numbers of people with increasing emissions will outweigh the effect of falling emissions from an aging population until 2030, when overall emissions will fall due to the aging effect.

The MPIDR study does not consider factors such as technological change; increased energy consumption does not necessarily mean increased emissions if the energy sources are renewable. Zagheni’s research was focused on the US because of the availability of the data, but he says the analysis is valid for other developed countries with similar consumption patterns. The effects of aging populations on climate change is still a relatively new area of study, Further research into related questions such as the impact of aging on emissions in a country like Germany which is undergoing a significant renewable energy transition would enrich this field.

New Jersey’s Energy Master Plan released

by Aki Kachi, adelphi

The prevalence of cheap natural gas continues to change the policy landscape in the US with the most recent example being New Jersey. While **New Jersey’s new Energy Master Plan** excludes an expansion of coal in the energy mix, for advocates of more aggressive renewable energy policy, the good news stops there. Following **an announcement to pull out** of the Northeastern and Mid-Atlantic State Regional Greenhouse Gas Initiative (RGGI), Governor Christie’s plan calls for a reduction of the Renewable Portfolio Standard from 30 percent to 22.5 percent by 2021.

By 2050, the administration aspires to have “clean” energy make up 70 percent of New Jersey’s supply, but clean is redefined to include not only renewables, but also nuclear, natural gas, and hydro power. The increase of natural gas in the fuel mix is driven in part by the approval of three natural gas combined cycle plants for a total of 1,949 MW, an expansion of natural gas infrastructure, and increased fuel switching from oil to natural gas. The Master Plan expresses doubts about the availability of offshore wind potential along the coastline, citing concerns regarding its economic feasibility. The plan also calls for a review of state-sponsored solar PV programs to ensure that such initiatives are “worthwhile”.

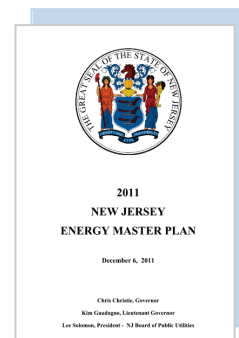
Assembly Environment Chairman John F. McKeon **criticized** the new plan saying that the previous Master Plan, which included participation in RGGI,

“created thousands of good paying jobs as it moved us toward a renewable energy future”. Further, he stated that the new plan is “regressive, shortsighted, and will promulgate our reliance on fossil fuels”. The National Wildlife Federation **estimates** that New Jersey has the potential to cover over 31 percent of its energy needs from renewable sources, with more than 84 percent of that coming from wind alone.

Positive measures in the Plan are a requirement for the Board of Public Utilities to purchase a share of electricity from solar power, as well as state authority to increase this target in the future.

State of New Jersey:
New Jersey Energy Master Plan

[Download the report here](#)



Taking action to protect countries from climate change impacts

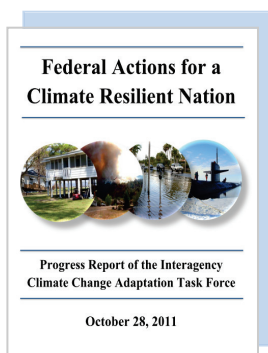
by Maartje Tubbesing, Worldwatch Institute and Dennis Taenzler, adelphi

Climate change is increasingly affecting communities, livelihoods, and the environment across the United States and Germany. On October 28, the White House **released a report** presenting federal actions that aim to reduce the risks and impacts of climate change in the US. The federal government plans to work together with states and local communities to address and prepare for challenges and opportunities which will come with a changing climate. Extreme weather events like droughts, heat waves, flooding and the steady rise of the sea level can put people, ecosystems, property, and economies at risk. Therefore, the report sees early preparation and adaptation measures as a crucial “insurance policy” for the country’s future.

The report was written by the **Interagency Climate Change Adaptation Task Force** which defines key areas of action: “building resilience in local communities, safeguarding critical natural resources such as

freshwater, and providing accessible climate information and tools to help decision-makers manage climate risks." The implementation of concrete recommendations will be evaluated in annual progress reports.

Germany is also preparing for unavoidable climate change. In August, the Federal Cabinet adopted the **Adaptation Action Plan** to support the German Strategy for Adaptation to Climate Change. **According to Federal Environment Minister Norbert Röttgen** "responsible climate policy is based on two pillars: avoidance and adaptation. For the imminent - or already apparent - changes to our climate system will have social, ecological and economic consequences for Germany too." Activities will include strengthening the resistance of buildings and transport infrastructures to extreme events, and re-shaping federal forests to achieve more stable mixed forests with a richer structure.



Interagency Climate Change Adaptation Task Force:
Federal Actions for a Climate Resilient Nation

[Download the report here](#)

The Plan aims to implement the objectives of the **German Adaptation Strategy** adopted in 2008 by taking concrete actions at federal level in the coming years. It highlights links with other national strategy processes, such as the High-Tech Strategy 2020, the National Biodiversity Strategy, and the National Forest Strategy. Activities will not only occur at the federal level but also at the state and local level.



Federal Ministry for the Environment:
Combating Climate Change: The German Adaptation Strategy

[Download the report here](#)

EVENTS

Transatlantic Energy Futures

by, *Adam Dolezal and Maartje Tubbesing, Worldwatch Institute*

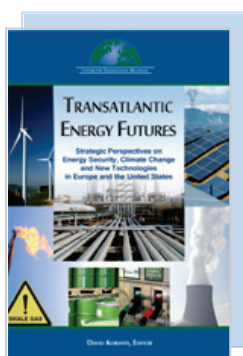
On December 8th a panel of US and European energy experts convened at the Johns Hopkins School for Advanced International Studies (SAIS) to discuss perspectives on strategy and partnership between the US and Europe on energy and environment issues.

David Koranyi is the **editor of a book** entitled *Transatlantic Energy Futures* recently released by SAIS that addresses similarities and differences between energy sectors in the US, both at the national and state levels, and in the countries of Europe. During his presentation, Mr. Koranyi noted that in many ways the US and Europe are on very different energy tracks: the US will soon be the largest fossil fuel producer and it has already overtaken Russia as the largest natural gas producer in the world. He also noted that the two regions have common incentives for cooperation, namely reduced dependence on imports and the democratization of energy through distributed and decentralized generation across the world.

"In many ways, the US and EU are already partners in design and implementation of new technologies."

The Principal Deputy Assistant Secretary of Policy and International Affairs at the US Department of Energy, **Jonathan Elkind**, gave the keynote presentation and addressed the importance of developing a sustainable and secure energy future and the importance of maintaining market and policy innovation in a time of financial constraints. In many ways, the US and EU are already partners in design and implementation of new technologies, and *Transatlantic Energy Futures* outlines the need for continuing this partnership.

The two regions see energy generation and consumption quite differently. While the EU has an emissions trading scheme to support its domestic and international greenhouse gas reduction targets, the US Congress has shown little support for the Obama Administration's proposals to create legal obligations to regulate carbon emissions.



David Koranyi (ed.):
Transatlantic Energy Futures: Strategic Perspectives on Energy Security, Climate Change, and New Technologies in Europe and the United States.

Washington, DC:
Center for Transatlantic Relations, 2011.

[Download the book here](#)

Elkind spoke to the US/EU Energy Council, which was founded in 2009 and held its most recent meeting last **November**. This policy group works on issues such as the EU smart grid, carbon capture, and electric vehicles. One of the primary ways in which the US is learning from European countries is on electric vehicle deployment.

„ One of the primary ways in which the US is learning from European countries is on electric vehicle deployment.“

In a panel on natural gas and transatlantic energy security, Adnan Vatansever, Senior Associate in the Energy and Climate Program at the Carnegie Endowment for International Peace, presented prospects for cooperation towards establishing energy security energy availability and reasonable market energy prices. Further remarks energy security strategies included:

- Efficient energy markets can boost security globally. Energy markets should be transparent, competitive, and driven by economic rather than political considerations.

- A better management of energy supply interruptions helps secure energy flows. The Ukrainian-Russian gas disputes of 2006 and 2009 showed the high vulnerability to interruptions in supply.

- Investments will determine the long-term availability of energy. Uncertainties exist with regard to what energy sources will receive most investment. If renewable energies expand significantly, it will have implications for gas imports into Europe.

- Secure transit of gas is a crucial variable in achieving energy security. Transit countries can have significant leverage over the supplier.

- Sustainability and efficiency are win-win solutions for all stakeholders in increasing energy security.

In a second panel on innovation in renewables and new technology, **Kurt Volker**, Managing Director with the SAIS Center for Transatlantic Relations, noted in his opening remarks that Europe and the US have very different perceptions of climate change and renewable energies. Specifically he characterized the European as “extremist” with regard to climate change discourse, and that there exists a high normative incentive for legally binding climate protection commitments and the development of renewable energy sources. The US on the other hand is more reluctant in the climate change discourse, more typically holding that action to tackle climate change should be economically and technologically driven and should include all countries, not just the developed nations. Meanwhile, most developing countries put the responsibility to act in the industrialized countries' hands and claim for themselves the right to grow and catch up economically before committing to greenhouse gas reductions. Volker concluded that in light of these significant differences and due to the current financial crisis, neither the climate negotiations in Durban, nor next year's conference in Rio de Janeiro will produce a comprehensive or binding climate agreement.

Mark Olsthoorn, visiting scholar at University of Maryland's Center for Integrative Environmental Research (CIER), was eager to stress the point that today's financial constraints cannot be the justification for inaction. In terms of costs, inaction today

and subsequent adaptation requirements to severe climate threats in the future will be much more expensive than climate action today. We must therefore move past the question of whether or not there needs to be cooperation between nations and how this can take place, and take immediate action.

Transition to a low-carbon economy must not be seen as a competitive disadvantage, as it will create new business models and jobs. Although the high feed-in tariffs and subsidies that renewable energies and especially the solar sector have profited from in the past are expensive for the financially crippled industrial countries, these measures are still moderate compared to global subsidies in fossil fuels. As Michael Stanton-Geddes of SAIS notes, the financial and economic crisis is increasing protectionist behavior in renewable energy sectors. However, this protectionist measures will hinder a global effort to protect the climate.

International Carbon Action with a Transatlantic Core

by Dennis Taenzler, *adelphi*

The establishment of carbon markets is a key instrument to address climate change. Back in 2007, leaders of more than 15 governments met in Lisbon, Portugal to launch the establishment of the **International Carbon Action Partnership (ICAP)**. ICAP is made up of countries and regions that have implemented or are actively pursuing the implementation of carbon markets through mandatory cap and trade systems. It provides a forum for sharing experiences and knowledge on how to conceptualize and implement carbon markets. Germany, EU partners, and representatives from North American regional emission trading systems are part of this partnership that can eventually help link current and emerging carbon markets at a global level, and to establish a consistent regulatory framework across sectors and national borders. For then California Governor Schwarzenegger joining ICAP in 2007 was an important step forward in the state's efforts to fight global warming. He **had stressed** that ICAP represents the future of international cooperation, and is a new model for like-minded governments to come

together and pioneer solutions linking economic development and global climate action strategies.

On 7 December 2011, ICAP hosted a side event on "Emissions Trading around the World: Achievements and Prospects" at the 17th annual United Nations Climate Change Conference of the Parties (COP 17) in Durban, South Africa. The event presented latest developments and outlook for emissions trading around the world. It was opened with speeches by top decision-makers driving the development of emission trading systems (ETS) worldwide, including The Hon. Greg Combet, the Australian Minister for Climate Change and Energy Efficiency; Jos Delbeke, Director General for Climate Action of the European Commission, Dr. Urban Rid, Director General for Climate Protection in the German Ministry for the Environment, and Mary D. Nichols, Chairman of the California Air Resources Board.

Growing momentum in the development of carbon markets around the world became apparent through case studies from Australia, Chile, the EU, New Zealand, British Columbia, and California. Mary D. Nichols stressed that although there has been a slight delay in implementing the Californian system, 2012 will see the first auctioning of emission trading permits. California will use its ETS to expand its leadership role within the US climate policy arena, including by addressing energy cost concerns through some free credit allocations. British Columbia representatives outlined a possible strategy to reduce carbon taxes alongside the introduction of an ETS. BC aims to **reduce greenhouse gas emissions** by more than 33 percent by 2020, and this target will be reached by combing different policy instruments. With the California and British Columbia examples, the Durban side event illustrated how sub-national activities are increasingly encouraging progress in tackling the climate challenge in the absence of strong national action. In 2012, **ICAP will hold two summer schools** on emissions trading for emerging economies and developing countries in Costa Rica and Ireland to provide further insights for global climate policy learning.

International Carbon Action Partnership
<http://icapcarbonaction.com>



World Energy Outlook: No Business as Usual Possible

by, Maartje Tubbesing, Worldwatch Institute

On November 28, just in time for the beginning of the UN climate conference in Durban, South Africa, the International Energy Agency (IEA) launched this year's World Energy Outlook. A high-ranking panel which included the US Deputy Secretary of Energy Daniel Poneman, IEA Executive Director Maria van der Hoeven, and IEA chief economist Fatih Birol, presented the most important aspects of this comprehensive overview of the world energy situation. In her opening remarks, Jessica Mathews, president of the Carnegie Endowment for International Peace, pointed out the urgent need for action in the UN climate negotiations in Durban. Climate change is no longer a future threat, it is an immediate concern. It affects all aspects of life, from ecology and health, to economy and personal security. Inaction of governments will be fatal. This year's World Energy Outlook (WEO) leaves a five year window of opportunity in which real cuts in CO₂ emissions can still avert the worst case scenario of a 6 degree Celsius increase in global temperature. Both Dr. Mathews and Mr. Poneman praised the role of the IEA as crucial for providing reliable data about the state of the world's energy markets and for addressing energy challenges, as it works independently from political influences. The IEA is a crucial source of data, research, and support for addressing energy challenges and working towards a sustainable energy supply system.

Maria van der Hoeven expressed her regret that the current financial crisis has taken away the focus from energy and climate issues. While the former will eventually be resolved, van der Hoeven said, the energy and climate crises will persist for much longer. Despite financial constraints, countries of the world must act and invest now, or the world risks being locked in an unsustainable energy system. Energy infrastructure built today will be around for decades and will continue to emit greenhouse gases. Emissions from current energy systems already take up 80 percent of allowed emissions quotas required to stay within the 2 degree Celsius target.

Additionally, the nuclear accident in Fukushima and the turmoil in the Middle East and Northern Africa raise questions about future energy security and

investments. The current discourse about the closing window of opportunity for closing action might seem pessimistic, but this opportunity must be acted upon. The longer we stay inactive, the tougher the transition to a sustainable energy system will be. Our vital task is to invest in energy efficiency and renewable energy technologies that help transform our economic system towards a "low-carbon" future.

Watch the Event Coverage [here](#):



Following the panelists' opening remarks, Fatih Birol, IEA's chief economist, presented on the main findings of WEO 2011:

- CO₂ emissions reached a record high in 2010 – a contradiction of the commitments agreed upon at the 16th annual COP in Cancún in 2010.
- Over the period 2009-2010, world energy efficiency rates have worsened for the first time – previously, energy efficiency had constantly improved each year due to technological improvements
- High oil prices will increasingly affect the trade balances of most OECD countries – the OECD countries' share in oil production is negligible, and political decisions in Moscow, Delhi and Beijing will have a huge impact on the global energy market.

Dr. Birol concluded by reiterating Ms. van der Hoeven's point that there is no time to lose. If the world economy continues with "business-as-usual" we are well on a track to a 6 degrees Celsius rise in global temperatures by the end of the century, with devastating impacts to ecosystems and on the livelihoods and security of people around the world.

UP AND COMING

Solar Power Generation USA

Las Vegas, Nevada

January 31- February 2, 2012

<http://www.greenpowerconferences.com/home/>

ARPA-e, Energy Innovation Summit

Washington, DC

February 27-29, 2012

<http://www.energyinnovationsummit.com/>

2012 Climate Leadership Conference

Fort Lauderdale, Florida

February 29- March 1, 2012

www.climateleadershipconference.org

Conference on Future Automotive Technology Focus Electromobility

Technical University Munich, Garching, Germany

March 26-27th, 2012

[http://www.future-automotive-
technology.tum.de/index.php?id=5](http://www.future-automotive-technology.tum.de/index.php?id=5)

Navigating the American Carbon World

San Francisco, California

April 10-12, 2012

<http://www.nacw2012.com/>

IndustrialGreenTec

Hannover, Germany

April 23-27, 2012

[http://www.hannovermesse.de/en/about-the-
trade-show/programme/tradeshows-
lineup/industrialgreentec](http://www.hannovermesse.de/en/about-the-trade-show/programme/tradeshows-lineup/industrialgreentec)

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