



E3G

Shaping the Copenhagen End-Game: EU-US Summit in Washington, 3 November 2009

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What's happening?

On Tuesday 3 November, Swedish Prime Minister Fredrik Reinfeldt, representing the EU Presidency, will visit Washington to chair the EU-US Summit together with US President Barack Obama. The President of the European Commission José Manuel Barroso and the EU High Representative for the Common Foreign and Security Policy Javier Solana will also be part of the EU delegation. The agenda includes issues such as climate change and the road to Copenhagen, the global economic and financial crisis and follow-up of the G20 meeting in Pittsburgh as well as Afghanistan and Iran.

Newly re-elected German Chancellor Angela Merkel will be in Washington the same day to address a joint session of Congress. She will also meet President Obama. A former German Environment Minister at the time the Kyoto Protocol was signed, Merkel was a key figure in brokering the EU's initial commitment in March 2007 to cut its emissions 20-30% below 1990 levels by 2020.

Why's it important?

While President Obama remains personally popular in Europe, Transatlantic relations are showing signs of strain. On the global economic crisis, Washington has put more emphasis on the need for fiscal stimulus while France and Germany have focused on strengthening financial regulation and cutting

¹ E3G (Third Generation Environmentalism) is a European non-profit organisation with a mission to accelerate the transition to sustainable development. E3G has programmes in the EU, US and China. More information can be found at www.E3G.org.

bankers' bonuses. The US foreign policy maker agenda is dominated by China, Afghanistan/Pakistan, Iran and the Middle East – issues on which Europe is seen as increasingly irrelevant. Europe's Lisbon Treaty, once finally implemented, includes provisions for a new "President of Europe" and a strengthened foreign policy apparatus to help its 27 Member States speak with one voice, but institutional fixes are no substitute for strategic vision and political leadership.

The Summit coincides with a meeting of climate negotiators in Barcelona – the final meeting of this kind before Copenhagen. Progress is painfully slow and there is a growing risk of failure. While Obama has transformed US domestic policy on energy and climate change, cap-and-trade legislation is stuck in the Senate and the administration seems to be downplaying expectations of Copenhagen. This is fuelling distrust in developing countries and soul-searching in Europe, which has invested heavily over the past decade in building the international climate regime. On 24 October Danish Prime Minister Lars Rasmussen signalled a fresh push to break the deadlock including weekly videoconferences between political leaders – the "Copenhagen Commitment Circle" -- in the run-up to the Summit.

What will happen?

EU-US leaders will agree a Summit declaration, probably including language on the need to seal a deal at Copenhagen and on strengthening bilateral cooperation in areas such as development and diffusion of clean energy technologies. Several think tanks have tabled proposals on what a "Transatlantic green new deal" could look like.²

Probably more important than public declarations will be the messages exchanged in private. What will European leaders say to Obama on climate change and will it make any difference? During her last visit to Washington in June 2009, Angela Merkel did raise climate change including the scientific importance of limiting global temperature rise below 2°C. The following month this language was included in the Declaration by Leaders of the Major Economies Forum on Energy and Climate Change.

Key climate issues likely to be discussed in Washington include:

- > When the US Senate will vote on climate legislation

² See, for example, <http://www.worldwatch.org/files/pdf/Toward%20a%20Transatlantic%20Green%20New%20Deal.pdf>

- > How many of the big political decisions will be settled at Copenhagen
- > Whether the US will sign up to binding international commitments comparable to those accepted by Europe under the Kyoto Protocol
- > What the EU and US expect of China and other developing countries
- > How much financial support the EU and US are prepared to offer at Copenhagen to help developing countries cut their emissions and adapt to climate change

Within Europe there are differing views on these issues, with leaders such as UK Prime Minister Gordon Brown pushing an ambitious climate agenda and others such as Italian Prime Minister Silvio Berlusconi highlighting the potential costs to European industry. Much depends on the European Council meeting in Brussels this week, 29-30 October, when leaders may -- or may not -- reach agreement on the vexed issue of climate finance.

The UK and others are keen to secure a strong European climate finance position before the issue is discussed again by G20 Finance Ministers at their meeting in St. Andrews on 6-7 November. The key issue is whether Poland, Germany and others can agree a fair “burden sharing” formula to divide the overall EU climate finance contribution between the 27 Member States. Angela Merkel’s room for manoeuvre is greater now she has completed negotiations on the composition and policy priorities of her new coalition government.

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