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ALL EYES ON BERLIN CLIMATE AMBITION AND DELIVERY IN POST-ELECTION GERMANY

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With less than two weeks to go before the 2021 German federal elections, political attention from all around the world is turning to Berlin.

After another summer of record heat, devastating floods and fires in different parts of the world, expectations of post-election Germany reclaiming its role as international climate frontrunner have been raised.

Where do German politics actually stand when it comes to navigating climate and energy policies towards a net zero future? What are the chances post-election Germany will become a stronger advocate for more ambition in climate policy and the energy transition, both on the national and European level as well as globally?

This briefing scrutinises political parties' election manifestos and evaluates their performance regarding climate and energy policy against three benchmarks:

- 1) Decarbonising electricity generation – 2030 coal phase out and beyond
- 2) Decarbonising heating in homes by phasing out fossil fuel boilers
- 3) Germany's role in the world – A coherent approach to climate diplomacy

The analysis also provides an overview of what to expect from the different coalition options. It reveals potential for consensus as well as conflict lines in climate and energy policy between the different parties and formulates recommendations for ambitious and coherent climate and energy policy both on the national level as well as globally.



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- > In order to match the ambition of its national 2030 climate target and achieving climate neutrality by 2045, the in-coming German government will have to tackle the next frontier of energy and climate policies. Rather than summarizing generic priorities, a coalition agreement needs to focus on the actual and timely delivery of key policy milestones.
 - > Climate is still a niche issue in Germany's foreign policy machinery, and a coherent approach to climate diplomacy has yet to be developed. The in-coming government must fundamentally reform the role of climate and energy in German foreign policy and adapt foreign policy structures to the challenges of the 21st century.
 - > Any coalition constellation will be able to build on the concept of making climate neutrality a success story for Germany's industry. Seizing these industrial opportunities will require policy makers to lay out a clear perspective for low-carbon technologies, e.g., by phasing out fossil fuel-based heating systems.
 - > By securing an ambitious and coherent outcome of the Fit for 55 negotiations on EU level, the in-coming government would be able to reclaim Germany's climate frontrunner role and give a fresh impetus to the next phase of the EU Green Deal.
 - > The German G7 presidency 2022 offers a unique opportunity to set an ambitious climate agenda and must become a driver for climate-friendly structural reform.

Early opportunities for a new government to take a stand for the climate

All eyes are on Germany this fall, with Angela Merkel stepping down after 16 years and polls predicting a very tight race, this year's election in the EU's biggest economy could change the course of German politics and set a new tone for climate ambition at home and abroad. **The German population seems to be more than ready for more climate ambition.** According to a recent poll, 81% of Germans see big or very big need for action when it comes to protecting the climate.¹

This election takes place two months after devastating floods hit western Germany, leaving more than 190 dead. These events have not only thrust climate

¹ ARD (2021). **Mehrheit sieht Handlungsbedarf beim Klimaschutz.**



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change to the front of the election campaign again but have also put the need to fight against climate change even higher on the list of German voters' preoccupations.²

At the same time the **European Commission's flagship project, the Green Deal, is beginning to become more concrete, meaning there is also more and more space for political disagreements.** The recently published "Fit for 55" package is an important step for actually delivering deep decarbonisation across the EU's economy. But the European Green Deal will only succeed if international partners also shift onto clean development pathways both economically and politically.

Germany can play an important role in this decisive phase: with its economic strength, geographical location and political capital it can help broker political agreements and outcomes both within the EU as well as globally ahead of COP26, connect Member States from different parts of the EU and unite important parts of the EU's industry behind the commitment to net zero. The German government should use its G7 presidency to help deliver EU climate leadership and navigate tensions between great powers. **This would allow Germany to win back its reputation of frontrunner in climate policy and the energy transition, as opposed to protecting fossil incumbent interests it did too often in the past.**³

Party programmes fall short of international climate and energy benchmarks on the road to net zero

In order to understand where Germany's climate and energy policy might be heading after the elections, this briefing takes a closer look at political parties' election manifestos, statements made during the election campaign and the overall political situation in Germany. Any future governing coalition will rely on a combination of at least two, more likely three, of the following five parties, which is why we zoom in on their programmes in particular: the Christian Democratic Union of CDU and CSU, the Liberals (FDP), the Greens (Bündnis 90/Die GRÜNEN), the Social Democrats (SPD) and the Left Party (DIE LINKE).⁴

² Clean Energy Wire (2021). **Climate change becomes bigger priority for German voters following floods – survey.**; Clean Energy Wire (2021). **Polls reveal citizens' support for climate action and energy transition.**

³ Euractiv (2019). **Summit leak reveals EU rift on climate change.**

⁴ The far-right party Alternative für Deutschland (AfD) advocates for leaving the Paris Agreement and opposes the European Green Deal (**AfD election manifesto**, p. 175-176).



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To start with, the need to step up climate protection measures plays a substantial role across all manifestos. All five parties state their commitment to the goals of the Paris Agreement and to reaching climate neutrality in Germany by or before 2050 – some of them (CDU, SPD) already reflect the new national target of net zero emissions by 2045.⁵ Others are more ambitious and want to reach climate neutrality in 20 years' time (Greens) or by 2035 already (DIE LINKE).⁶ The Liberals reference 2050 as deadline for climate neutrality in Germany.⁷ **Germany being on the path to climate neutrality is a common cornerstone of parties' visions for the country's future** – a tendency that has been less pronounced four years ago. While this looks like good news for climate ambition, parties still diverge when it comes to the granularity of outlining their vision of the path to net zero.

Are parties ticking the boxes?

In order to get a grasp of the parties' respective climate and energy ambition, we suggest comparing them on the basis of three selected climate and energy benchmarks an advanced economy like Germany is expected to comply with on the way to climate neutrality.

Benchmark 1: Decarbonizing electricity generation – 2030 coal phase out and beyond

Next to efficiency, electrification will be one of the drivers of decarbonising not only the energy system, but growing parts of mobility and transport, industry and heating. Therefore, **decarbonizing the electricity mix that will power this interconnected system will be crucial for Germany on the way to net zero.** As part of the G7, Germany committed itself to an “overwhelmingly decarbonised power sector in the 2030s”. The IEA's Net Zero Report defines “overall net zero emissions electricity systems in advanced economies by 2035” as an important milestone on the path to reaching global climate neutrality by 2050.⁸ As part of this, the scenario shows that OECD countries such as Germany need to phase-out unabated coal by 2030. Being reinforced by UN Secretary-General António Guterres calling on OECD countries to phase out coal by 2030.⁹

While the outgoing government isolated Germany among its European peers¹⁰ by adopting a 2038 coal phase out, all candidates for becoming chancellor have

⁵ SPD election manifesto, p. 8; CDU/CSU election manifesto, p. 40

⁶ Bündnis 90/Die Grünen election manifesto, p. 19; DIE LINKE election manifesto, p. 68

⁷ FDP election manifesto, p. 45

⁸ IEA (2021). **Net Zero by 2050. A Roadmap for the Global Energy Sector.** p. 20.

⁹ UNFCCC (2021). **UN Chief Calls for Immediate Global Action to Phase Out Coal.**

¹⁰ Europe Beyond Coal (2021). **Coal Exit Tracker.**



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now confirmed that they assume the exit will happen earlier because of a higher carbon price under the EU's emissions trading system.¹¹ The Green and Left Party explicitly call for moving the phase out date to 2030 in their election manifestos, with the Greens even making it a condition for joining any government. **As both the EU's and Germany's new greenhouse gas emissions reduction targets for 2030 require deep emissions cuts in the energy sector, a coal phase out by 2030 has become inevitable.**¹² The in-coming German government is therefore expected to confirm that Germany will exit coal by 2030. This would allow the coal regions to adjust their planning to the new realities of updated German and EU climate targets. It will also help to accelerate a global phase out as 2038 has set a problematic benchmark in countries debating to phase out coal, such as Czechia or South Korea.

With regards to decarbonizing the overall German electricity system, the SPD explicitly commits to a 100% renewable electricity generation by 2040 at the latest. While the Liberals don't mention any particular date for a fully decarbonized electricity system and are advocating for demand-based and market-driven expansion of electricity production¹³, the Greens are advocating for 100% renewable energy by 2035.¹⁴ The Left party wants to achieve climate neutrality by 2035, which would have to be based on a fully decarbonized electricity generation by that same date. The Christian Democrats only declare Germany needs 100% renewable energy "as fast as possible".¹⁵ In sum, not all parties are ready to commit to a net-zero electricity system by 2035, as per the IEA Net Zero Report. **However, the vision of Germany's electricity system being powered by 100% renewable sources is gaining momentum.** Reaching this target by 2035 would indeed be ambitious considering that the step from coal-free power to a net zero power system requires more than pushing a few buttons and will take some time to implement. **Both a coal phase out by 2038 and missing the 2035 deadline for a net zero electricity system would therefore put the 2045 climate neutrality target at risk.** Also, important questions remain unanswered when it comes to the "how to" decarbonize the power sector. Political thinking on the next phase of the energy transition needs to move quickly beyond rather unspecific commitments to scaling up the hydrogen economy and towards more concrete measures, including market design reforms and strategies to counter fossil lock-in risks.

¹¹ Clean Energy Wire (2021). **Almost all German parties open for ending coal well before 2038.**

¹² E3G (2021). **Der Kohleausstieg bis 2030 ist zum Greifen nah.**

¹³ **FDP election manifesto**, p. 59-60

¹⁴ **Bündnis 90/Die Grünen election manifesto**, p. 19

¹⁵ CDU (2021). **Ein Turbo für die Erneuerbaren.** p. 1



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Benchmark 2: Decarbonising heating in homes by phasing out fossil fuel boilers

A fully decarbonized electricity system is an important step towards climate neutrality, but it does not get us all the way. **During the next decade, we will have to look at decarbonizing sectors and applications that are today still heavily dominated by fossil fuels, notably the heating of homes.** In Germany, 75% of houses are equipped with a heating system based on either oil or natural gas, with natural gas accounting for almost 50% of homes.¹⁶

This is precisely the reason why the IEA in its Net Zero Report called on governments across the world to start implementing policies that would ban new fossil fuel boilers from 2025 onwards.¹⁷ Such a policy would have to be implemented by the in-coming government. While the installation of new oil-fired heating appliances is banned from 2026 onwards in Germany (with some exceptions)¹⁸, no such commitment exists for fossil gas boilers yet. Germany would not be the first country to envisage such a policy. Examples from the UK¹⁹, France²⁰, the Netherlands²¹ and Austria²², already having banned or intend to ban gas boilers in new homes, show that **policy makers are more and more conscious of moving away from heating with fossil gas being one of the next frontiers of climate and energy policy.** With the Netherlands and Austria, that includes countries that rely on natural gas for a significant share of their total primary energy supply.

As it stands, the Greens are the most concrete when it comes to phasing out fossil heating: in their manifesto they advocate for the exclusive use of renewables-based heating wherever possible – both in new homes and in case of renovation and heating system switches.²³ Except for DIE LINKE, who also suggests fossil heating to be phased out as soon as possible²⁴, none of the other parties' manifestos explicitly mentions a deadline for fossil heating. Yet, German media last July hinted to the SPD-led environment ministry investigating a ban of

¹⁶ BDEW (2020). **Zum Start der Heizsaison: Rund die Hälfte der Wohnungen in Deutschland... werden mit Gas beheizt.**

¹⁷ IEA (2021). **Net Zero by 2050. A Roadmap for the Global Energy Sector.** p. 19.

¹⁸ Gesetze im Internet (2021). **Gebäudeenergiegesetz.**

¹⁹ BBC (2019). **Gas heating ban for new homes from 2025.**

²⁰ Les Echos (2020). **Le chauffage au gaz bientôt proscrit des logements neufs.**

²¹ Enbasa (2018). **Niederlande verbieten neue Gasheizungen.**

²² Gebäude-Energieberater (2021). **Österreich beschließt Aus für Gasheizungen.**

²³ **Bündnis 90/Die Grünen election manifesto**, p. 27

²⁴ **DIE LINKE election manifesto**, p. 42



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new gas boilers by 2026 as part of a list of emergency measures for more climate policy.²⁵

There seems to be more common ground when it comes to supporting alternative technologies, such as heat pumps. Both the Social Democrats²⁶ and the Greens²⁷ want to implement support schemes. According to the Federation of the German Heating Industry, its members have an EU market share of 60%.²⁸ Being home to heating industry leaders such as Viessmann, Bosch and Vaillant and the heating industry providing 75.000 jobs in the country²⁹, Germany has a major economic interest in being a frontrunner in climate-neutral heating solutions, such as heat pump development. Despite each of these companies having heat pump product lines, today's leading heat pump manufacturers are not based in Germany.³⁰ **If Germany wants its domestic industry to play a role in the heating industry's low-carbon future, it needs to show more political as well as industrial ambition.**

Properly managing the transition of the heating sector in Germany (and beyond) also demands the use of the most efficient technologies available for replacing fossil boilers. Using hydrogen for heating in the residential building sector, as the Liberals seem to envisage³¹, is neither energy efficient nor the most useful solution from a climate perspective.³² While shifting to a new energy source for heating is an important step, a comprehensive heat decarbonization would need to be based on a whole set of policy instruments, such as better insulation, energy saving incentives and faster renovation.³³

Benchmark 3: A coherent approach to climate and energy diplomacy

Germany's and Europe's foreign policy interests have changed - Combating climate change and achieving an orderly global energy transition are critical to ensuring security and prosperity within and beyond Europe's borders. Climate change is one of the key challenges of modern human civilisation and a rules-

²⁵ Handelsblatt (2021). **Umweltministerin Schulze will mehr Klimaschutz – hält aber selbst eine Gesetzesfrist nicht ein.**

²⁶ **SPD election manifesto**, p. 10

²⁷ **Bündnis 90/Die Grünen election manifesto**, p. 27

²⁸ Federation of German Heating Industry (2021). **Association.**

²⁹ PWC (2020). **Opportunities and risks for Germany's heating industry in competitive global environment.**

³⁰ Idem

³¹ **FDP election manifesto**, p. 60

³² E3G (2021). **Factsheet Hydrogen – Heat.**

³³ E3G (2021). **Buildings Fit for 55 and beyond.**



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based world order, but at the same time it is also the greatest opportunity to strengthen international cooperation and create a rules-based system that also commits major powers and cushions geopolitical tensions. **In order to advance climate ambition at the international level, a resilient global political order that relies on multilateralism, international standards, open, dynamic markets is needed.** Climate change is thus central to all facets of foreign policy over the next decade.

In recognition of this, at the beginning of the year, the European Foreign Affairs Council adopted conclusions on ‘Climate and Energy Diplomacy - Delivering on the external dimension of the European Green Deal’.³⁴ In its conclusions the Council promised „EU and Member States foreign and Security policy [to] systematically consider climate and environmental factors and risks“. For Germany, this means it must take a more active and responsible role on the international stage, anchoring climate diplomacy as a cross-cutting priority of its foreign policy. **Germany has an important role to play in supporting the implementation of the Commission’s European Green Deal Agenda and in positioning the EU as a global rules and market shaper.**

However, the German foreign policy machinery is so far not up to the task. German foreign policy is still largely mercantilist in nature, and Germany is currently not making full use of its geopolitical weight - although Germany would have to participate in the development of convincing alternatives to large-scale investments by China or Russia. Climate is still a niche issue in Germany foreign policy, and a coherent approach to climate diplomacy has yet to emerge.³⁵

The new German government must therefore understand German foreign policy as a whole even more strongly as an instrument that can be used specifically for global climate policy as a cornerstone of multilateralism. As part of this, the capacities for climate policy in German ministries would have to be increased not only in climate and energy diplomacy, but also in areas of international structural policy as well as foresight and planning. Moreover, Germany needs to make its economic model work for climate - by decarbonizing domestic production while using socio-economic and geopolitical levers to strengthen the multilateral framework, taking Global South countries on board. **Working with European and transatlantic partners to develop comprehensive offers to support a green and socially just transformation offers the**

³⁴ Council of the European Union (2021). **Climate and Energy Diplomacy – Delivering on the external dimension of the European Green Deal.**

³⁵ E3G (2021). **Zukunftsgerechte Außenpolitik ist klimagerechte Außenpolitik.**



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opportunity to initiate a green race - away from coal, toward renewables and resilient systems.

While the Liberals and the CDU/CSU hardly address the role of climate change in foreign policy, the Green Party's manifesto sets important accents and names very concrete objectives here, aiming for an ambitious climate foreign policy. The Greens promise to launch comprehensive climate partnerships with countries in the Global South, to support them in the socio-ecological transformation towards 1.5 degree and to establish a cooperation on an equal footing. However, also in the Green Party's manifesto the key role of climate change for all facets of foreign policy in this decade could be emphasized even more clearly. The Social Democrat's party manifesto also makes several references to a necessary orientation toward the Paris Agreement and the United Nations Sustainable Development Agenda, but again falls short to systematically consider the central role of climate change for all facets of foreign policy. It identifies joint climate change efforts as priorities for diplomatic relations with countries such as the United States and China - beyond that, little attention is paid to energy and geopolitical considerations of the "socio-ecologic transition". The SPD's program mentions the European Green Deal only once, the Liberals fail to refer to the European Green Deal in their election manifestos. The focus of the Left is on global climate justice but there is a lack of sufficiently concrete measures. They consider the European Green Deal as not ambitious enough and call for a more far-reaching reform and a social and ecological system change that would restructure the economy with massive public investments.³⁶

The transformation of the energy system will bring tangible changes in the diplomatic structure. **The success of the global energy transition and the stability of the geopolitical order will also depend on whether new economic prospects open up for states that today depend on revenues from exports of fossil fuels.**³⁷ Germany plays an important role in this transformation as the EU's largest consumer of gas, a key EU transit hub, and an engine of low carbon deployment and export. It also has significant diplomatic and financial means to support a smooth global transition.

Although some parties, such as the Left, the Liberals and the Greens, address the global implications of the energy transition in their election manifestos,

³⁶ FDP election manifesto, p. 45; CDU/CSU election manifesto, p. 15; Bündnis 90/Die Grünen election manifesto, p. 220; SPD election manifesto, p. 56; DIE LINKE election manifesto, p.56

³⁷ E3G (2020). *Energy Diplomacy Beyond Pipelines*.



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geopolitical considerations are not given sufficient relevance by most parties.³⁸ While the parties position themselves vis-à-vis specific and controversial energy infrastructure projects such as Nord Stream 2, the bigger picture is largely absent from the election manifestos. Nord Stream 2 is a point of contention between the parties. The Greens, for example, want to halt the construction of the Nord Stream 2 pipeline, arguing it is against the EU's geopolitical interests, and the FDP has also called for a moratorium. In contrast, the Left Party, often accused of being pro-Russia, the SPD and the CDU/CSU are in favour of Nord Stream 2. **Only with a smart reorientation of German energy diplomacy toward climate neutrality can geopolitical effects be cushioned and at the same time the opportunities arising from growing global markets for renewable energy solutions be seized.**

Using the multilateral order for climate also means strengthening multilateral institutions in this sense and reforming them where necessary. In particular, the reform of international economic and development policy frameworks, standards and structures to unlock financial flows needed for the green transformation will determine the success of global climate policy. Here, all election manifestos fail to give greater prominence to the role of the upcoming German G7 presidency as a driver for climate-friendly structural reform.

Potential for common ground and sticking points in coalition options

With the elections only days away, it still is very difficult to predict what kind of coalition might emerge from them. With the traditional “big” parties CDU/CSU and SPD having moved further and further away from the dominance and high percentages they used to achieve, the theoretical options for coalitions with smaller parties have multiplied. In the 1998 federal elections, the votes in favour of CDU/CSU and SPD accounted for more than 75% of all votes³⁹ - in 2019's European elections, this share fell to less than 45%.⁴⁰

The political landscape in Germany ahead of the election is very dynamic. Polling institutes have seen the Greens ahead of CDU/CSU in May⁴¹ – by July, CDU/CSU had again overtaken the Greens.⁴² By the end of August, SPD and CDU/CSU were

³⁸ DIE LINKE election manifesto, p. 67; FDP election manifesto, p. 49; Bündnis 90/Die Grünen election manifesto, p. 24

³⁹ Deutscher Bundestag (2020). *Bundestagswahlergebnisse seit 1949 – Zweitstimmen*.

⁴⁰ APuZ (2021). *Krise (und Ende?) der Volksparteien*.

⁴¹ Tagesschau (2021). *ARD DeutschlandTrend - Grüne ziehen an Union vorbei*.

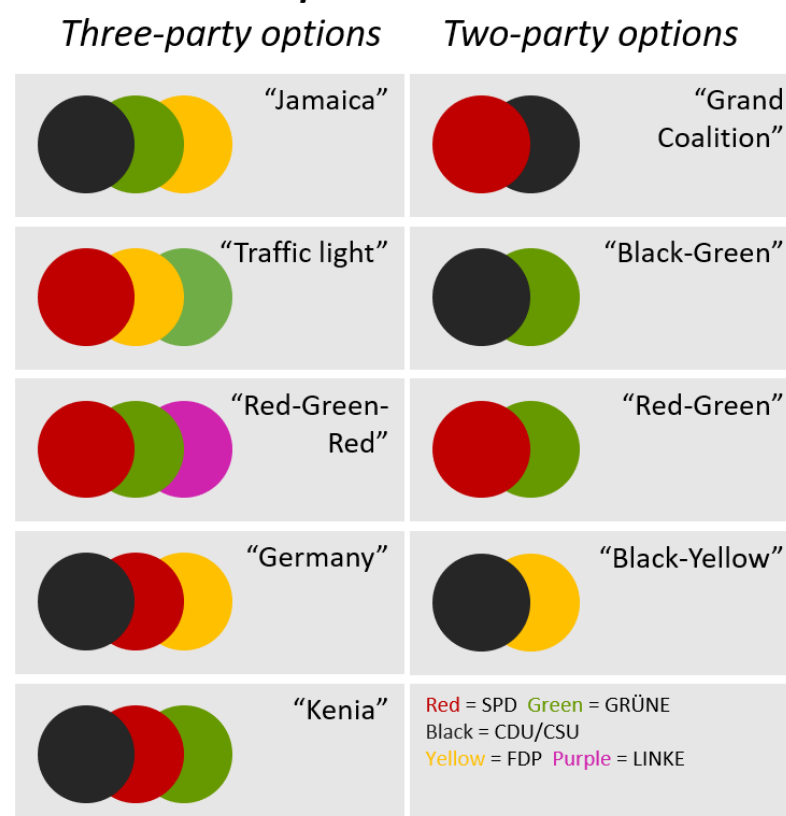
⁴² ZDF (2021). *ZDF-Politbarometer. Union und Laschet verlieren deutlich*.



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astride, with the Green party closely behind.⁴³ **Based on most recent polls, a coalition of three parties would be needed to win a majority in parliament, several constellations are possible, none of which have seen a precedent on the national level.** A two-party coalition between either CDU/CSU and the Greens (also a first on national level) or between the SPD and the Greens would politically be an option – but neither of them currently receives the necessary voter support, at least according to opinion polls.⁴⁴

Coalition options under discussion



Whatever coalition might emerge from what might turn out to be complicated negotiations to form a new government in the coming months – Germany will only be able to retake its position as frontrunner in climate ambition if the incoming government is not only strongly committed to climate ambition at home and abroad but can also stand on solid common ground when it comes to the “how” and the “how fast”. According to an analysis by DIW Econ, none of the election manifestos sketches out a policy programme enabling Germany to meet

⁴³ ZDF (2021). **ZDF-Politbarometer. Union und SPD gleichauf.**

⁴⁴ Pollytix (2021). **German election polling trend.**



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its 2030 greenhouse gas emissions reduction target.⁴⁵ **Implementation plans have to finally catch up with the ambition of greenhouse gas reduction targets – otherwise, Germany’s credibility as a leader on climate ambition is seriously at risk.**

The incoming government’s focus must be on delivery

While embracing climate neutrality as a political compass for Germany is a good starting point, the key challenge for the in-coming government is a different one: **defining how to actually deliver the deep decarbonisation of all economic sectors that is required for meeting Germany’s own climate target** of reducing greenhouse gas emissions by at least 65% by 2030 compared to 1990 levels.

The prospect of the German industry being a frontrunner in green technologies appeals to parties from all political camps (except the far-right party AfD) and is **therefore likely to be a cornerstone of a coalition’s shared vision.**⁴⁶ Across Christian Democrats, Greens and Social Democrats, the idea of supporting the industry transition with the carbon contracts for difference tool is also very prominent. On the other hand, not all parties are in favour of the German public finances playing a decisive role in incentivising and financing Germany’s transition to a climate neutral economy and society. It is a long-standing tradition for Conservatives and Liberals to adhere to a balanced public household⁴⁷. While limiting sovereign debt to the strictest minimum was a popular policy in response to the Euro crisis, today the "black zero"⁴⁸ approach is no longer common amongst advanced economies.

Another difference between parties that receives much attention in public debates and the media lies in their approach to policy tools that are required for effective climate action – while Greens, Left Party and Social Democrats are open to regulative measures that would limit, restrict or ban certain products or behaviours (e.g. both parties advocate for a 130 km/h speed limit on highways⁴⁹), the picture looks different for the Christian Democrats and Liberals. In their manifesto, the Christian Democrats repeatedly state they would rely exclusively on incentives, ideas or innovation “instead of bans”.⁵⁰ A very similar

⁴⁵ DIW Econ (2021). **Wie viel Klimaneutralität steckt in den Wahlprogrammen?**

⁴⁶ **SPD election manifesto**, p. 8; **CDU/CSU election manifesto**, p. 41; **DIE LINKE election manifesto**, p. 60; **FDP election manifesto**, p. 45; **Bündnis 90/Die Grünen election manifesto**, p. 62

⁴⁷ **CDU/CSU election manifesto**, p. 70; **FDP election manifesto**, p. 13

⁴⁸ German key phrase for summarizing the policy of committing to a balanced state budget

⁴⁹ **Bündnis 90/Die Grünen election manifesto**, p. 33; **SPD election manifesto**, p. 12

⁵⁰ **CDU/CSU election manifesto**, p. 5, p. 21, p. 33



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formulation was chosen by the Liberals.⁵¹ In potential coalitions, this issue is likely to become political battleground. **Given the urgency of delivering greenhouse gas emission reductions, the in-coming government should be open to consider a broad range and balanced mix of policy measures.**⁵²

Not only in the current election campaign has the social dimension of climate policy so far been dominated by discussions around the effects of carbon pricing and the potential usages of revenues that it generates. This particular topic has also received attention in parties' manifestos, with several parties intending to redistribute the revenues raised to citizens in one way or another.

While cushioning the monetary effects of climate policy is an important topic, **the in-coming German government will also have to focus on outlining the benefits of and opportunities provided by climate action to citizens**, thereby building broad public support for policy measures it plans to implement.⁵³

In a coalition including Social Democrats and Greens, the need to design the climate transition in a socially fair way is likely to be a priority. In a coalition including CDU/CSU and FDP, climate action is less likely to be backed by a strong social policy package that would attenuate the effects of what will be a profound change. As social acceptance is key for a successful transition to a climate neutral Germany, any coalition government will need to think beyond the burden and costs angle of climate action in order to succeed.

Coherence on Germany's role in the world

In addition to implementing ambitious measures at the national level to meet the 2030 climate target, it will be equally important to work closely with partners to advance global climate action and support the green transition worldwide.

When the in-coming government takes office very likely not any earlier than Christmas, it will face at least two major international tasks: Taking over the G7 presidency and (re)shaping a foreign policy that is currently not fit for a climate changed world.

But without a government-wide approach, decision-making and diplomatic capacity are spread across BMU, BMZ, Chancellery, BMWi/BMF, and the Foreign Office. **The in-coming government must therefore fundamentally reform the role of climate in German foreign policy and adapt foreign policy structures to**

⁵¹ FDP election manifesto, p. 59 („Innovationen statt Verbote“)

⁵² Stiftung Klimaneutralität, Agora Energiewende, Agora Verkehrswende (2021). **Politikinstrumente für ein klimaneutrales Deutschland. 50 Empfehlungen für die 20. Legislaturperiode (2021–2025).**

⁵³ E3G (2021). **Benchmarks for a social Fit For 55 package.**



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the challenges of the 21st century. The Green Party's proposal is worth noting here: In response to the floods, they presented an „emergency climate protection programme“, including plans for a new Ministry for Climate and Energy that would lead a government Climate Task Force.⁵⁴ To ensure all legislative projects are aligned with the goals of the Paris Agreement, the Task Force would have a veto right – it could step in if legislative projects threaten to conflict with the Paris Agreement. This proposal has been the subject of controversy and has so far been rejected by all possible coalition partners of the Greens, which could become a challenge for the formation of a government.

There seems to be broad consensus between all five potential coalition partners on the need for a more active role of Germany in foreign policy, even if the Left criticises the EU’s “neoliberal” approach⁵⁵. They are all strongly pro-European and the aim of playing an influential role in the implementation of the European Green Deal appeals to parties from all political camps (again, except the far-right AfD which advocates for a Europe of “sovereign nation-states”⁵⁶). However, the parties acknowledge the importance of climate for geopolitics as well as the need to support the countries of the Global South in the Green Transformation to very different degrees.

The in-coming German government must clearly signal to the major powers the importance it attaches to achieving climate stability as a core goal. It must demonstrate this by shifting German and European global climate diplomacy from a strategy dominated by the UNFCCC and bilateral relations to a geopolitical and multi-institutional approach that includes the G7, G20, the International Monetary Fund (IMF) and multilateral development banks (MDBs). The German G7 presidency next year will be of particular importance here - it offers a unique opportunity to set an ambitious climate agenda and must become a driver for climate-friendly structural reform.

Just how much change does the electorate want?

At the end of the day, the question of how much change the German electorate is actually looking for is likely to play a big role for the election outcome. While the Liberals focus on “modernisation”⁵⁷ and “reboot”⁵⁸, the Christian Democrats

⁵⁴ Bündnis 90/DIE GRÜNEN **emergency climate protection programme**, p. 2.

⁵⁵ **DIE LINKE election manifesto**, p. 148 (“Neoliberalismus“)

⁵⁶ **AfD election manifesto**, p. 29 („Staatenbund souveränder Staaten“)

⁵⁷ **FDP election manifesto**, p. 20

⁵⁸ **FDP election manifesto**, p.1 („Neustart“)



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stand for “stability and renewal”⁵⁹ and the Social Democrats propose a climate-neutral Germany as one of their “missions for the future”⁶⁰. The Greens suggest several axes of transformation and more specifically call for an “energy revolution”.⁶¹ As for the Left Party, they put the ideas of “climate justice”, “(system) change” and “socio-ecological turn” forward.⁶² So far, it looks like the majority of Germans (57%) are more comfortable with incremental change instead of major shifts. However, the share of people asking for more comprehensive reforms has almost doubled compared to 2017 (now 34%) and there are only very few Germans who want everything to basically stay the same (7%).⁶³ **With the effects of climate change becoming more and more obvious to the German population, the tendency of rising approval for more comprehensive reform is likely to continue.**

All eyes will be on Berlin on September 26th, to see whether Germans’ widely perceived need for more action against climate change will result in a political shift able to deliver on the important policy benchmarks Germany is expected to meet on the way to climate neutrality.

About E3G

E3G is an independent climate change think tank accelerating the transition to a climate-safe world. E3G builds cross-sectoral coalitions to achieve carefully defined outcomes, chosen for their capacity to leverage change. E3G works closely with like-minded partners in government, politics, business, civil society, science, the media, public interest foundations and elsewhere.

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⁵⁹ **CDU/CSU election manifesto**, p. 1 (“Stabilität und Erneuerung”)

⁶⁰ **SPD election manifesto**, p. 8

⁶¹ **Bündnis 90/Die Grünen election manifesto**, p. 14; p. 12, p. 220

⁶² **DIE LINKE election manifesto**, p. 56 („Systemwechsel”); p. 13 (“sozialökologische Wende”)

⁶³ Tagesschau (2021). **ARD DeutschlandTrend - Sorge vor einem Corona-Herbst.**