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Deutsches Institut für
Entwicklungspolitik



Years | 1964–2014

German Development
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A Renewables Club to change the world

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The Current Column

of 28 April 2014

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Bonn, 28 April 2014. The climate crisis needs an urgent international response, as the Intergovernmental Panel on Climate Change (IPCC) has recently reminded us. The 196 members of the United Nations Framework Convention on Climate Change (UNFCCC) have agreed to finalize a new global binding agreement by December 2015 and they should prioritize making that agreement as ambitious as possible. It is clear, however, that the scale of change needed, will require additional, innovative initiatives to buttress the UNFCCC agreement. Additional forms of cooperation, such as clubs of pioneers, are needed in order to provide fresh impetus to climate-change mitigation efforts. The Renewables Club, established by Germany and nine other countries last year, could play a key role in this regard, provided that it becomes more than just an informal discussion group.

The meeting of climate-change ministers in Abu Dhabi from 4 to 5 May 2014 represents an opportunity to develop the Renewables Club, launched in 2013, into a transformational initiative. Working closely with Federal Minister for Economic Affairs and Energy Sigmar Gabriel and Federal Minister for Economic Cooperation and Development Gerd Müller, and in cooperation with the Club's other member states, Federal Environment Minister Barbara Hendricks should present a dedicated initiative in Abu Dhabi to this end.

Mancur Olson argued as early as 1969 that smaller groups reach agreement more swiftly. Cooperation research shows that clubs are capable of reaching more ambitious agreements than a 196-member UN Convention. Ambitious clubs also have a significant impact on those around them, encouraging other actors to follow their lead as they demonstrate what can be achieved.

Of course, clubs should complement rather than replace United Nations processes, as the global problem of climate change ultimately requires a global, multi-lateral response. Nonetheless, clubs can provide extra momentum to UN initiatives by pursuing more ambitious goals than would be possible in the climate negotiation process and at the same time being able to drive more ambitious aspirations in the multilateral process. While there are already a great many international climate initiatives, they have only been able to achieve minimal change to date. So far, there has been no club that has brought about transformational change.

The Renewables Club could play such a transformational role if it commits to achieving ambitious goals. It also needs to offer significant benefits to countries that are considering joining it, benefits that are exclusive to members, creating strong incentives to work together in making the Club's vision a reality. The German Government should propose such a concept to its partners

in order to develop its national energy transition further at international level.

There are three starting points for strengthening the Renewables Club.

Firstly, the Club's members need a common vision that shows clearly how the Club adds value to existing initiatives. An example vision statement could be: "We will create an energy system by 2050 that is based primarily on renewable energy sources and that ensures that energy costs are competitive, affordable and foreseeable."

This vision should provide the basis for setting specific goals. Club members could agree to double the proportion of their joint energy output generated from renewable energy sources by 2025. This would tie in with the goal of the UN's Sustainable Energy for All initiative to double the share of renewable energy sources in the global energy mix by 2030. As pioneers, the Club's members would reach this goal five years ahead of schedule, something that would require them all to define clear, individual targets for themselves.

Secondly, the Club's members should agree on ways of creating added value for all members. They could agree to work closely on the technology, business models and political solutions needed to create a sustainable energy system. This would enable them to identify and test solutions more quickly, learn from successes and failures, and share knowledge.

Members could also conduct joint research projects and share the relevant patents. They could harmonise and grant mutual recognition of their standards, and work together in producing new standards for future technologies (such as e-mobility) with a view to creating common markets. Additionally, they could dismantle their respective trade barriers for goods and services that are closely linked to renewable energy sources.

Thirdly, the Club could support transformational strategies for renewable energy sources in other parts of the world. Because the Club brings together pioneers, it is uniquely placed to use its expertise to support such strategies, whether in sub-Saharan Africa, North Africa or Latin America.

The clock is ticking on climate-change mitigation, which is why the meeting in Abu Dhabi should not close without getting the ball rolling with regards to strengthening the Renewables Club. Germany needs to show leadership in developing the Club if it is to retain credibility in the eyes of key international partners. As a project, a transformational club would boost Germany's reputation in the field of global climate policy, underscore its pioneering role in climate-friendly innovation and help to fulfil the German Government's aspiration of assuming greater responsibility for global policy.