COP25: COUNTRIES PRESSED TO DELIVER

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The 2019 UN Climate Change Conference features the 25th session of the Conference of the Parties (COP 25) that takes place in Madrid until 13 December.

At the heart of the negotiation this year: the implementation of article 6 of the Paris Agreement, relating to carbon markets. But not only. It is a COP meant to pave the way for countries to raise their climate ambition before the end of crucial year 2020. Climate negotiators know that they are under tight scrutiny from stakeholders, first and foremost cities, businesses, and Fridays for Future.
COP25: cities are no longer waiting around for nations, Milan’s mayor says

Skilled workers shortage could stall Germany’s progress on climate targets

COP25 news and views: What’s happening in Madrid

The time is now to show leadership on global climate activities

COP25: Europe must decide faster, climate doesn’t wait, says Danish Energy Minister

COP25: ‘The European Green Deal gave an important signal. We need more of this’
Because there is still a small number of nations blocking progress in implementing the Paris Agreement, and cities already feel their impact of climate change, they are ready to take the lead in fighting global warming, Milan’s mayor and C40 network Vice-Chairman Giuseppe Sala told EURACTIV in an interview.

**What are the cities’ expectations of this COP?**

First and foremost, I answer as an individual citizen who is concerned about the future of life on our planet. The science is absolutely clear that if we continue on our current path, global temperature rise will be 3 or 4°C above the pre-industrial average. That will cause untold suffering for hundreds of millions of people around the world. We already see the signs of climate crisis with rising seas, extreme weather and natural disasters, floods, droughts, wildfires. So my expectation is that nation-states and their negotiators in Madrid...
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will match their commitments to their rhetoric and actually deliver a meaningful outcome that helps avert catastrophic climate change. As a mayor, I expect them to learn from the climate action they see already being delivered in the world’s cities. We have shown it is possible to collaborate across borders, through networks like C40 cities, and deliver inclusive climate action that cuts emissions in line with the scientific evidence. We can tackle climate change, address inequality and build sustainable and healthy communities across our cities.

However, I am also a realist. I see that a small number of nations, backed by powerful vested interests and lobbies, are blocking meaningful progress. That is why cities aren’t waiting around for nations any more. If they won’t lead, then mayors will.

**How meaningful is the European Green Deal for cities?**

I congratulate Commission President von der Leyen for putting a European Green Deal at the very heart of her policy platform. She recognises, as so many of us do, the scale of the threat posed by climate change, but also the opportunity ahead for protecting livelihoods, helping end poverty, improving lives and building more equitable societies.

I have no doubt that the reason we are seeing such clear commitments from politicians across the political spectrum is because of the impact made by the young people protesting on the streets of our cities. In that sense, the European Green Deal emanates from cities and if it succeeds, as I believe it must, then we will see its greatest impact in our cities.

The European Green Deal is a climate project but it should also be much more than that. It is our chance to profoundly rethink how our economies operate and shift them to build a fairer and more sustainable European society. This is our chance to build a Europe that our citizens want. So, of course, it is hugely meaningful for cities across the continent.

The next weeks are key to ensure that the Green Deal framing turns into a springboard for delivering the maximum of its potential. Mayors of Europe’s great cities look forward to working with the new Commission, because we have been implementing this type of science-based, bold climate action for years. Milan has one of Europe’s most effective low-emission zones and our policies to cut emissions from the food produced and eaten in our city is being studied by fellow mayors across the world. Cities are also leading the way on action across buildings, waste, air quality and adapting our cities to the consequences of climate change already underway. As Commission President von der Leyen and Executive Vice-President Timmermans draw up their European Green Deal plans, I would advise them to start by speaking to Europe’s mayors.

**The European Green Deal and the US Green New Deal will also be in the focus at COP25. As a Vice-Chair of the C40 Cities group, you represent the view of European Cities in the C40 network. How do mayors from cities located outside Europe and North-America view the concept of a green new deal? How does Europe’s own Green Deal fit into the global picture?**

Just last month the C40 Cities network announced our vision for a Global Green New Deal. We are committed to putting inclusive climate action at the centre of all urban decision-making, to create thriving and equitable communities for everyone. We are building an unprecedented global coalition, including cities, business, young people, investors, labour, civil society, citizens, and communities disproportionately impacted by climate change, determined to global heating below the 1.5°C goal of the Paris Agreement. That vision is being endorsed by mayors from around the world, from Milan to Los Angeles, Freetown to Rio de Janeiro. Our goal is to drive a fundamental and irreversible transfer of global resources away from fossil fuels and into action that averts the climate emergency.

I hope that the European Green Deal matches the same level of ambition, because that is what the scientific evidence clearly shows is necessary. We look forward to working with the European Commission, just as we are working with the United Nations Secretary-General, U.S. Representative Ocasio-Cortez and youth leaders from the Fridays for Future movement around the world, and so many others to align our collective vision for a better future.

The principles we are working together to deliver represent a philosophy of delivering environmental and economic justice together. In many countries, this is widely understood as a ‘Green New Deal’. This is why the Mayor of Los Angeles, Eric Garcetti who now Chairs C40 Cities is determined to frame it this way. But it is not the name that is important, – whether talking about the “Nouvelle Alliance Verte” in Francophone countries or an ‘ecological civilisation’ in Chinese cities – the key is the philosophy behind it. I believe this has important parallels with the European Green Deal, to ensure it resonates with people in every EU country.
Skilled workers shortage could stall Germany’s progress on climate targets

By Claire Stam | EURACTIV.com

In 2005, unemployment in Germany reached 11.7%. At the end of 2019, the figure more than halved to 5%. This means it is increasingly difficult for companies operating in Germany to find skilled workers and fill vacancies. And it has an impact on sales revenues, as well as Germany’s and Europe’s ability to achieve carbon neutrality goals.

“Germany is phasing out coal and nuclear energy as well as working towards decarbonising both its power and its heating and building sectors,” Bernd Scheithauer, in charge of training at Danfoss’ operating site in Offenbach, explained to EURACTIV. “Going forward, renewable energies will therefore play a major role, which means we have to change the current, fossil-fuels-based heating systems and adapt to new heating concepts if we really want to tackle energy efficiency and climate change, also in the building sector,” he said.

The group manufactures products and provides services used in cooling, air conditioning and heating buildings. Danfoss employs approximately 28,000 people worldwide with its headquarters in Nordborg, Denmark.

That implies that companies in the building sector must be able to provide the right expertise for householders so they can adapt to new, raised standards. “With new energy efficiency standards, they need new efficient and carbon free heating systems and therefore adequate energy counselling,” the

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heating expert stressed. A lack of skilled workers, however, could limit the opportunity to turn the energy transition into a successful “heat transition”, he added.

On top of that, demands are changing: modern buildings with efficient carbon free heat generators such as heat pumps that are part of an energy management system in a smart home demand different skills. For example, the future installer will also need to deal with electronics and digitalisation.

Yet, a study of building energy renovation activities released by the European Commission on Monday (9 December) shows that half of all installers across Europe already dealing with energy renovations report energy efficiency measures being too complicated to install. “This certainly also hampers quality and signals a high need for capacity building,” the report stresses.

But the right tradespeople are increasingly difficult to recruit: the housing sector is currently booming in Germany, a situation that forces companies like Danfoss to compete against one another to hire them. They are not the only ones. Whether large corporate groups, medium-sized companies, the famous Mittelstand, or start-ups – companies of almost all sizes suffer from the shortage of skilled workers. There is a lack of qualified personnel in around 400 business segments, economic research institute Institut für deutsche Wirtschaft (IW) has found.

Demography is one reason behind the shortage, it explained. In an ageing society, the number of trainees is quickly decreasing. But school-leavers are also no longer attracted to join Germany’s famous dual training scheme and instead choose academic careers, the economic institute also finds. According to IW, there were about 600,000 trainees in the year 2000, but by 2017 it fell to only 365,000.

Trainees in the German dual system typically spend part of each week at a vocational school and the other part at a company. Dual training usually lasts two to three-and-a-half years.

**IN-HOUSE TRAINING**

Given the lack of skilled workers, Danfoss set up its own training schemes where they are trained to not only improve their skills but also to be able to provide the right expertise, as no such expertise is yet available in Germany, Bernd Scheithauer explained.

“It is still pretty much centered on products and not on services,” he underlined. “We do face-to-face training and provide webinars. We focus on small learning units that last about 45 minutes and focus on specific topics.”

“The idea is to propose a package of these course units with the aim at unlocking a learning process. What we are trying to do is train our employees to go beyond the sole business case of selling products for them to be able to provide the right expertise,” he stressed.

The heating expert said there are numerous governmental fundings in the housing sector, but they all focus on building renovation, changing heat source or the development of new products and not on education and training.

He called on the German government to drastically increase the number of energy advisers – there are approximately 5,000 of them in Germany right now – and to adapt their training to the new energy environment.

“We have between 18 and 20 million single and two-family houses in Germany. Who will they ask to do the renovation? The most familiar figure, the heating installer, not the energy adviser. And the heating installer will change the heating, and that’s about it. But what we need is a lot more than just replacing old boilers.”

**ECONOMIC IMPACT**

Skilled workers shortage has an economic impact on companies in Germany as they find themselves unable to unlock market potential. “We are not able to generate revenues as much as we could. We could earn more money,” Scheithauer said.

“If nothing happens on the training front at the government level, this will turn out to be a really big problem,” he continued. “And I am quite pessimistic, I don’t think things will change in the next 10 years.”

He said that significant investments are now on hold because of the current political uncertainty. “We don’t know where we are really heading,” he said, pointing out at the 100,000 or so lost jobs in the German wind and solar energy branches because of decisions taken over the past 15 years. “This number stands in contradiction to the 20,000 jobs in the coal industry. There is no correlation,” he said.
COP25 news and views: What’s happening in Madrid

By Claire Stam | EURACTIV.com

As UN climate negotiations enter their second and decisive week, EURACTIV gives you a glimpse into the goings on of the 25th climate conference in Madrid (COP25) and what is driving the conversation there. In this edition: train ride, ray of the day, reality check-point, and climate finance big time.

EU delegation took the plane to Madrid. As most delegates and observers at COP25, the European Commission has admitted it had to fly to Madrid, implying a heavy carbon footprint. “We were looking for our delegates to come here by train, but it would have taken 14 hours, and the price was three times higher,” said Elina Bardram, head of international unit at the Commission’s climate action directorate (DG Clima). “As we rely on taxpayer money, we couldn’t make that choice,” she said. Amid train strikes in France, flying turned out to be a safer bet. (Aline Robert, Euractiv France).

Timmermans won’t hesitate on carbon border tax. In his first international press conference as Commission Vice-President, Frans Timmermans said the European Union will not hesitate to impose measures to protect its industries from competitors who do not respect the Paris Agreement. Commenting on the EU’s position regarding a possible “carbon tax” on imports from high-emitting competitors, continued on Page 9.
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Timmermans said he hoped there will be no need for such a measure. “But if it is necessary, we will not hesitate to take it,” he said.

Fossil of the Day for US, Australia, and Canada. Ray of the Day to Denmark. Despite leaving the Paris Agreement, the US still wants to have a seat at the table while making it clear they have no intention of paying the bill, Climate Action Network (CAN) said in a statement. And both the US and Australia “simply decided to turn their back and withhold their pledges” to double their contributions to the Green Climate Funds, it added. As for Canada, the NGO pointed out that the country is “recklessly” approving fossil fuel infrastructure projects that are not in line with the Paris Agreement, such as the TMX pipeline.

But Denmark is there to bring sunshine in an otherwise clouded climate summit. The Danish parliament agreed on a Climate Law that is binding for current and future governments and is in line with the 1.5C degrees temperature limit, CAN said. “Basically, Denmark turned science into law!,” it said. And the story is not finished yet, the NGO stressed, as Denmark set the target of reducing GHG emissions by 70% by 2030.

Reality check-point at the German delegation. “I don’t believe there will be a wave of countries increasing their ambitions,” state secretary Jochen Flasbarth of Germany’s environment ministry said Monday morning during a briefing with the press. He added however that “several countries” were about to move ahead. Like the global climate diplomacy bubble gathered in Madrid this week, the German state secretary is waiting for the outcome of the European Council meeting this week (12-13 December) to see if EU member states will finally give the green light to the bloc’s proposed 2050 climate neutrality goal. Should it be the case, the EU’s 2030 emissions reduction target of 40% “cannot remain as it is,” Flasbarth stressed.

EU businesses getting vocal. The whole world is staring at the EU this week, and so do businesses. Keeping the pressure before the EU Council meeting (12-13 December), EU business leaders from companies including Unilever, Ikea, EDF, Acciona and Iberdrola, called on the bloc to validate the 2050 carbon neutrality target and raise its emissions reduction target from 40% to “at least 55%” in 2030. The businesses are part of the European Corporate Leaders Group (CLG Europe) which last month already urged the EU to increase its climate ambition.

US non-state actors are still in. Things are also moving business-wise on the other side of the Atlantic. Today, America’s Pledge co-chair and former New York City Mayor Michael Bloomberg will officially present to the UN its third report analysing US greenhouse gas emissions. The report, titled ‘Accelerating America’s Pledge: Going All-In to Build a Prosperous, Low-Carbon Economy for the United States’, aims to show the world that US states, cities, businesses, and other organisations – called ‘non-state actors’ in UN jargon – representing nearly 70% of the country’s GDP have the power to reduce emissions. It also projects how far that leadership can take the US by 2030, even without backing from the White House. Since its launch in July 2017, America’s Pledge has published annual assessments of non-federal action to reduce greenhouse gas emissions.

Investors call on governments to get their (financial) acts together. A record 631 institutional investors managing more than $37 trillion in assets on Monday urged governments to phase out thermal coal power worldwide, put a “meaningful” price on carbon, end subsidies for fossil fuels, and strengthen nationally-determined contributions to meet the goals of the Paris Agreement. “The global shift to clean energy is underway, but much more needs to be done by governments to accelerate the low carbon transition and to improve the resilience of our economy, society and the financial system to climate risks,” the investors wrote. They warned the current government commitments leave an “ambition gap” that will not prevent global average temperature from rising beyond the 1.5 degree threshold that scientists warn could trigger catastrophic and irreversible effects of climate change.

Nucléaire, adieu? Nuclear power, currently the dominant energy source in France, is expected to be overtaken by renewable energy by 2027, according to a report published Monday by data and analytics company GlobalData. The report, entitled ‘France Power Market Outlook to 2030, Update 2019 – Market Trends, Regulations, and Competitive Landscape’, shows that the share of renewable energy in France is expected to reach 42.9% of the country’s power mix by 2023, up from 19.9% in 2018. In the long-term, the government has decided to cut down its fossil fuel dependency and is replacing coal and oil-fired plants with gas-based plants and plans to reduce nuclear power to 50% of the country’s net generation capacity by 2035, the report underlines. The plan is to decommission around 14 nuclear reactors by 2035 and fill the gap with renewable energy sources. In 2018, nuclear power accounted for 47.2% of France’s energy mix, the report notes.
The time is now to show leadership on global climate activities

By Julie Kjestrup | Danfoss

While the COP25 generated a lot of mobilisation, including a demonstration of 500,000 people in Madrid in early December, the frustration regarding its outcome is even greater. [Shutterstock]

The 2019 Oxford Dictionaries Word of the Year is ‘climate emergency’, defined as ‘a situation in which urgent action is required to reduce or halt climate change and avoid potentially irreversible environmental damage resulting from it.’ Explaining its choice, Oxford said that by September 2019, the word ‘climate emergency’ was more than 100 times as common as it had been the previous year.

It truly is the defining issue of our times, and we are at a defining time, as the UN Secretary-General António Guterres phrased it already during last year’s Climate Week.

Julie Kjestrup is Head of EU Affairs at Danfoss.

It is with the backdrop of the climate emergency that the world is gathered in Madrid for COP25. COP, and the climate, matters more than ever. We urgently need action, and Europe should lead.

Ursula von der Leyen, the new Commission president, has set a target of raising CO2 reduction targets of 50 to 55% by 2030 as part of her European Green Deal. A welcome and necessary step up in terms of EU climate ambition, and a good opportunity to show global leadership and become the global ‘green beacon’ that other parts of the world will look up to, listen to, and learn from when it comes to finding tools, solutions and the will to reduce CO2 emissions and overcome the global climate changes.

These plans may be ambitious, but they are also realistic. We can achieve these goals while ensuring continued growth in the EU, and as the private

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sector we have a key role in showcasing that there is business and jobs in a net zero carbon future, and to encourage governments to step up climate ambition. This is called the ambition loop. In Denmark, this has long been the case – public-private partnerships are best practice and have helped spur innovation and leadership in the green transition. Denmark has also just agreed to reduce CO2 emissions by 70 percent in 2030, arguably the world’s most ambitious climate target as it stands.

ENERGY EFFICIENCY IS ESSENTIAL FOR RAPID, INEXPENSIVE CO2 REDUCTION

We need the political ambition but most of the solutions that will help solve the climate emergency already exist. Energy efficiency is one. The International Energy Agency (IEA) estimates that, at a global level, approximately 44% of the required reductions can be achieved by energy efficiency, and an additional 36% can be achieved by changing to renewable energy. Capturing the full potential of energy efficiency will allow for a faster roll-out of renewables and lead us on the most cost-efficient path to carbon neutrality. Taking Denmark as an example, new research from Ea Energy Analyse for the Danish interest organisation SYNERGI shows that the green transition will be 16-21 billion euros (DKK 120-160 billion) less expensive if we work on a combination of renewable energy and energy savings instead of focusing solely on green energy.

Still, this significant potential for energy efficiency is not leveraged, neither in Denmark, nor elsewhere. In fact, IEA’s Energy Efficiency 2019 report published in November showed that energy efficiency uptake is slowing down and that the 2018 primary energy intensity improved by just 1.2%, the slowest rate since 2010, and considerably below the average 3% improvement consistent with the IEA’s Efficient World Strategy, first described in the 2018 Energy Efficiency report. These are global numbers but hold true for Europe, too.

The time for action on energy efficiency is now, and we know what to do. Surplus heat from supermarkets, data centers and industry are an example of low-hanging fruit. Cooling processes emit a large amount of heat which today is typically just wasted. Instead, it could be utilised to heat our homes via a district energy system. This would save large amounts of money in electricity infrastructure. Even so it rarely happens, because of a lack of incentives. Instead, there are administrative and sometimes also regulatory barriers that prevent it from happening.

Our buildings in Europe account for 40% of energy consumption. We know that we need to renovate them, also to make them ready to be supplied by renewable energy sources and become ‘smart’ e.g. via demand-response. We also know it is not happening as just reconfirmed in the Commission study on Building Energy Renovation, published just a few days ago. The public and private funds are there, but we must crack the code of making it more attractive to carry out energy renovations, for companies and house owners. As an example, many pension funds are looking for places where they can invest their money, so why not have them invest in the energy renovation of municipal buildings?

TIME FOR ACTION, TOGETHER

The decline in energy efficiency improvement must be reversed, and quickly. To do so requires clear directions for where we are going with our climate policy, with concrete and binding goals also for energy efficiency. At the same time, we must encourage the development and introduction of new technologies to ensure we get the fastest, most cost-effective decarbonisation. At EU level, the Green Deal will be an important piece of the puzzle. Nationally, governments should use their national climate plans and long-term strategies to make their economic development pathways and plans clear to enable companies to invest decisively in a net-zero future. Through this positive ambition loop, private and public partners can drive more meaningful and ambitious climate action, together.

Because we need to tackle the climate emergency in partnership. There is full recognition that no government – no country, no city, no company – and definitely no citizen – can do this alone. Over the last few months, more member states have been putting forward ambitious climate plans of their own. Now is the time for the EU to step up to the plate and deliver – first at COP25, and then with an ambitious Green Deal that can set us on track. The whole world is looking at us.
As member states are pressed to agree on Europe’s 2050 carbon neutrality target, Denmark is the star of the show at COP25 after the country’s Parliament adopted a legally binding emissions reduction target of 70% by 2030. Danish energy minister Dan Jørgensen explained to EURACTIV what’s behind the country’s new climate act.

“Our new climate act is very well perceived here at COP25. For me as a minister, I am not used to people clapping when I enter a room and this happened a few times. Colleagues are congratulating me and I think what we did provides them with ammunition in their domestic debate and enables them to do the same thing in their own countries,”

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Jørgensen said on the sidelines of COP 25, which is due to end officially tomorrow.

"Because what they need is being able to point to a country and say, listen, if they can do it, and in a way that does not hinder competitiveness and lower the level of living standards, we can do it as well," he added.

The Danish Parliament adopted on 6 December a climate law that aims to reduce the country's greenhouse gas emissions by 70% by 2030 compared to the 1990 level. The law also targets carbon neutrality by 2050. New legally-binding targets will be set every five years, with a ten-year perspective, the first of these to take place in 2020.

"The fact that it is legally binding means that when we are telling countries to also step up their ambitions, we think we are showing the way," Jørgensen said.

He added that the Danish target is so ambitious that the government has to acknowledge it does not yet know how to fully reach it. "Scientists and experts are showing how to reach up to 65% of the target, how we meet the last 5%, this is what we still have to figure out," he explained.

Jørgensen stressed that the new legislation is not only supported by a broad majority of the Parliament – 8 out of 10 parties, 167 out of 179 mandates – it is also supported by large sections of the Danish society, from the Danish business association on one side to NGOs like Greenpeace on the other.

"They don't usually agree on most things but they did on this piece of legislation," he said.

Denmark covered 41% of its electricity demand from wind energy in 2018, the highest level in Europe. By 2028, renewable energy is to produce more than 100% of the country's national electricity consumption, and surplus electricity will be exported to neighbouring countries.

Since 1990, Denmark GDP has grown by 55%, energy consumption has fallen by 6% and CO2 emissions dropped 38%.

EU-ETS FINANCED

The Danish energy minister said setting such a high target means increasing investments, as well as improving the existing and pushing new technologies. He underlined that the market’s reaction to the new climate law has been positive so far.

"We are a welfare state with a high level of equality, we are able to compete on all the markets and we want to maintain that position," Jørgensen stressed.

The energy minister acknowledged that it will mean mobilising large investment.

"But an investment is defined by something you can monetise into something you expect you get an output from. And I think many of the investments we will be doing will turn out to be helpful to the Danish economy. Look at wind power, for instance, when we started in 1991," he said.

He specified that Denmark will not introduce a national financial scheme in order to finance the new project, meaning that no CO2-pricing will be introduced. He said Denmark will instead use the EU Emissions Trading System (EU-ETS).

EUROPE HAS TO ACT FASTER

Commenting on the on-going European Council meeting in Brussels, Jørgensen said he was hoping to see an agreement reached at the Council, a decision which would send a positive signal to negotiators and ministers gathered at COP25.

"But it is even more important to set a target for 2030. Because if we don't push a decision in the shorter term, then I find it hard to believe that we can achieve the long-term goal. The way nature works, as climate science tells us, means that we cannot wait: the CO2 we emit now will remain in the atmosphere for decades," he said.

"We must be honest: European decision-making has so far been too slow. It must be intensified, accelerated, because the climate will not wait. We can't negotiate with nature," he added.
COP25: ‘The European Green Deal gave an important signal. We need more of this’

By Claire Stam | EURACTIV.com

The longest in the history of UN climate negotiations, the COP25 ended on Sunday (15 September) with almost no significant decisions being made. Julia Panzer gives her take about the business implications of the Madrid climate talks.

Julia Panzer is Head of Public Affairs and Sustainability at Danfoss, the Danish technology company. She answered in writing to questions by Claire Stam.

Negotiators failed to reach an agreement on carbon markets at COP25.

In the final hours of negotiations, over 30 governments joined behind the San Jose Principles in an effort to preserve the integrity of carbon market rules and prevent loopholes and the ability...
for double-counting carbon credits. As a member of the ‘We mean business’ coalition, Danfoss supports the idea of carbon-pricing. What is your take on the final UNFCCC text on Article 6?

The problem is not the final text – the problem is the final text that countries could agree on, which is not strong enough to respond to the climate emergency we are in.

This means negotiations are stalling yet again, and countries need to step up individually in the lead-up to COP26 to revitalise the process towards 2020. The majority of countries agrees with what is needed: an energy transition first and foremost. An industrial transition. And nature-based solutions, with a focus on oceans and forests to balance our global climate.

Science should guide us, just as in Denmark, where we are headquartered. The Danish government came to COP25 with a strong message and a 70% CO2 reduction target, having asked science what’s necessary, not what’s possible. This is the type of leadership we need.

Why does Danfoss support carbon-pricing? Climate economists argue that to be effective, price on carbon should range between 50 to 100 euros. What is your position?

We see investment decisions every day as part of our business. And it is clear that our financial system is failing to support the necessary climate targets to bring the world back on track, aligned with Paris, aligned with science and aligned with the 1.5°C pathway needed to keep people and the planet safe.

Investments into sustainable, energy efficient and renewable projects are still lagging behind. As a business, based on energy efficiency, we know that the market alone will not solve this challenge. We need a price on carbon. Therefore, Danfoss supports a price on carbon at the right level as suggested by climate economists, to incentivise investments into renewable energy, as well as efficiency.

Given the weak outcome at COP25, the stake for COP26 which is to take place on Glasgow, are higher than ever. What are your expectations on governments for 2020?

The new European Green Deal is more than an important political signal. It also outlines a long series of tangible actions to get us to where we need to be – we need more of this.

The world urgently needs increased ambition, enhanced NDCs, concrete CO2 emission reduction targets with sectorial plans on how to get there, country by country.

As industry we are here to support governments and showcase what is possible today in partnership with our employees and civil society. We know that most importantly, we need to focus our energy on the energy transition, which needs to be a just. As a follow-up to the Climate Action Summit, we as Danfoss will work with governments across the globe in partnerships such as the Cool Coalition led by UNEP to support countries in their development of sustainable cooling action plans, the Three Percent Club to increase ambition and concrete action on energy efficiency and with the Getting to Zero Coalition, to decarbonise the maritime sector.