

PRESS RELEASE

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„For a climate neutral economy ‘made in Europe’: Working together to re-launch Europe, now!“

Before the EU Council Summit on October 15-16, Foundation 2° publishes a position paper on the upcoming important milestones of EU climate policy. The paper was developed on the basis of a dialogue with well-known German companies from numerous important sectors.

The European Union is facing the historic task of leading the economy out of an unprecedented crisis and at the same time setting the course for a climate-neutral economy made-in Europe. The EU Green Deal presented by EU Commission President Ursula von der Leyen must therefore become Europe's innovation and growth strategy. It must be made more concrete and backed up with political instruments. For this, the position paper contains concrete proposals.

Among those involved in the dialogue were German companies from the steel industry, chemical industry, cement industry, energy industry, plant engineering and construction, the financial sector as well as companies from the building and mobility sectors.

Large parts of the economy want to use the upswing phase after the Corona crisis to make their contribution to meeting the Paris climate targets and to a powerful EU Green Deal. The prerequisite for this, however, is that political instruments will be created and implemented very quickly to enable companies to initiate the necessary transformation processes and remain internationally competitive. This is of central importance in order to combine ambitious climate protection goals and economic recovery. The increase in the climate target to at least 55% until 2030 proposed by the EU Commission is therefore recognized as expedient from a European perspective on climate policy and supported, provided that the condition is met that it is linked directly or in the very short term (no later than in the next three years) to the adoption and implementation of the necessary policy instruments.

"Large parts of the economy want to use the Green Deal as a driver for innovation and growth," says Sabine Nallinger, Managing Director of Foundation 2°. "But they urgently need a political framework now so that climate-friendly investments pay off. Together we can make Europe the first climate-neutral continent. To this end, we make constructive proposals".

The paper calls for a strong EU climate protection law to be passed under the German Council Presidency. CO₂ pricing should be further developed at EU level as a key climate policy instrument and introduced in the buildings and transport sectors. The EU Commission's target of a 30% climate quota for the next EU budget and the investment plan for the Green Deal must be bindingly adhered to. Lead markets for low-carbon products are to be created with a mix of incentives and regulatory measures. The paper makes proposals on how future climate policy fields and key technologies can be promoted in a targeted manner, for example through a European flagship project to establish a hydrogen economy, a European coordinated expansion of renewable energies, and effective investment incentives to double the renovation rate of existing buildings.

You can find the position paper here: <https://www.stiftung2grad.de/en/eu-green-deal-position-paper>

About Foundation 2°

Foundation 2° is an initiative of chairmen, managing directors and family entrepreneurs. Its aim is to call on politicians to establish effective market-based conditions for climate protection and to support the problem-solving skills of German companies. The foundation is named after its most important goal: to limit average global warming to well below 2 degrees Celsius. The supporters of the foundation are: AIDA Cruises, ALDI SÜD Dienstleistungs-GmbH & Co. oHG, DAIKIN Airconditioning Germany GmbH, Deutsche Bahn AG, DEUTSCHE ROCKWOOL, Deutsche Telekom AG, Deutsche Wohnen SE, Dirk Rossmann GmbH, DRÄXLMAIER Group, EnBW Energie Baden-Württemberg AG, Gegenbauer Holding SE & Co. KG, GLS Gemeinschaftsbank eG, GOLDBECK GmbH, Interseroh/ALBA, Otto Group, OTTO FUCHS KG, Papier- und Kartonfabrik Varel, PUMA SE, Salzgitter AG, Schüco International KG, Schwäbisch Hall-Stiftung bauen-wohnen-leben, thyssenkrupp AG, Union Investment and VTG Aktiengesellschaft.

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Selected statements of companies involved in the dialogue process for the position paper:

“The building sector in Germany is responsible for around 30% of CO₂ emissions, across Europe for around 36%. Therefore building refurbishment is one of the central elements to achieve the climate goals. Now the ‘Renovation Wave’ needs to be implemented fast and ambitiously to use this huge potential. We cannot meet a 55% emissions reduction target without at least doubling renovation rates.”

Volker Christmann, Chairman of the Board of Directors DEUTSCHE ROCKWOOL & Head of Insulation Central Europe & Senior Vice President ROCKWOOL Group

"It is important and encouraging that Europe, with the support of the German government, continues to consistently pursue the climate policy path to Paris. At the same time, the measures must be in line with the path taken. As the building sector is responsible for 30% of emissions, it is key to set a course that makes the Green Deal and the EU's renovation wave socially acceptable.”

Michael Zahn, CEO, Deutsche Wohnen SE

"Made climate neutral will be the new quality feature for products, just like the former "made in Germany".

Dr. Martin Gall, CEO & CTO, DRÄXLMAIER Group

"The real estate industry plays a central role in meeting the challenges of a climate-neutral economy. Due to the long investment cycles, essential decisions have to be made now. This requires planning reliability and technology openness. Social aspects must also be taken into account to ensure the implementation and broad acceptance of climate protection measures".

Christian Lewandowski, CEO, Gegenbauer Holding SE & Co. KG

"In view of the climate crisis, any delay in the transformation is economically irrational from a risk perspective. In order to allow for the urgently needed change of course and to prevent a CO₂-related shutdown, the right framework conditions must be set. These demands are an important, yet only the first step towards the crucial compliance with the 1.5°C target."

Thomas Jorberg, Spokesman of the Board, GLS Bank

"The sustainable realisation of buildings over their entire life cycle is an important element for achieving global climate targets. The European Green Deal points the way forward and can create the climate policy basis for a system change. In order to live up to its pioneering role, Germany must put the issue of sustainability at the political forefront - in the construction industry as in all other energy-intensive sectors of the economy. German business must then make its contribution through innovative products and business models."

Jan-Hendrik Goldbeck, Managing Partner, GOLDBECK GmbH

"It is high time to take climate protection to the next European level. The efficiency potential is huge, especially in the building sector. Everyone can make a big difference here - by using energy responsibly. That is why we would like the EU Green Deal to specifically help as many people as possible to make their active contribution to climate protection. This requires a reliable framework for a market in which digitization, innovation and data sovereignty in the interests of climate protection and people are successfully interlinked."

Thomas Zinnöcker, CEO, ista International GmbH

"The EU Green Deal must set the course so that climate protection and competitiveness go hand in hand and domestic production sites can continue to serve as drivers of wealth and prosperity in the future. The selection and design of political instruments for realizing the Green Deal will determine whether whole industries in Europe and especially in Germany will survive".

Dr. Hinrich Mählmann, CEO and General Partner, OTTO FUCHS KG

"The Otto Group supports the European goal of a climate-neutral economy by 2050 and is particularly committed to making greater use of the potentials of the circular economy. The goal must be to reduce resource consumption. We need reliable and long-term national and European framework conditions and instruments for implementing and financing an internationally competitive climate-neutral economy as quickly as possible. As a Group we will make our contribution and, among other things, align our operations to be climate-neutral by 2030 with concrete measures".

Alexander Birken, CEO and Chairman of the Otto Group Executive Board

"Reality already exceeds the worst climate scenarios. That is why we must act immediately. Climate protection and resource conservation are among the most important tasks of my generation - because we have a responsibility to drive change now. The construction sector can already make an effective contribution here today with energy-saving and circular products."

Andreas Engelhardt, Personally Liable Partner, Schüco International KG

"To create incentives for the rapid expansion of renewable energies, we need ambitious targets at EU level - also in the heating sector. Especially in urban centres, a centralized heat supply based on renewable energies can make a significant contribution to improving the climate footprint. Regulatory requirements must not put these promising solutions at disadvantage".

Dr. Florian Bieberbach, Chairman of the Board of Directors, SWM – Stadtwerke München

"In order to achieve a climate-friendly transformation of the transport sector, mobility must change significantly. Mobility needs should be met increasingly and primarily by public transport. Because only by strengthening sustainable modes of transport, such as buses and trains, we can succeed effectively in countering climate change and the problem of air pollution. For this, the right political and financial framework conditions have to be in place. In particular, financing of additional operating costs that will incur as a result of the necessary increase in frequencies is currently completely unclear."

Ingo Wortmann, Managing Director Mobility, SWM – Stadtwerke München

"Even in the midst of the Covid-19 pandemic, protecting the climate remains a key challenge. And it is now of all times that we need to invest in a green future. In the transport sector, our focus must be on alternative forms of transport – such as rail – that are already kind to the environment. With this in mind, we must press ahead in expanding the rail infrastructure, ramping up combined traffic and making rail transport less bureaucratic. Progress in these areas can help rail freight make a major contribution to improving the sector's carbon footprint – and thereby to achieving the important target of a "zero-carbon industry made in Europe".

Dr. Heiko Fischer, Chairman of the Executive Board, VTG AG