Executive Summary
Genshagen Economy and Energy Dialogue

Green Weimar Triangle: Shaping the Sustainable Future of European Industry Together

09.12.2024, Genshagen Castle
Germanwatch e. V. and the Genshagen Foundation





EU Member States find themselves amidst a complex and turbulent political and economic environment. A coherent European response will be required to navigate this emergency. This is an absolute necessity, now that geopolitical instability and uncertain economic dynamics have come to overshadow long-term, but equally existential, issues such as climate change in the public and on political agendas.

A joint platform is needed to deliver that coherent response. A platform that will first need to harmonise different national perspectives and interests. National climate policies are particularly likely to vary, and the underlying interests often need to be clarified and reconciled. These interests namely regard maintaining Europe's competitiveness in global markets, ambitious decarbonisation, and a socially just energy transition.

The Genshagen Foundation and Germanwatch strongly believe that the Weimar Triangle is the most promising candidate for such a joint platform. The Weimar Triangle embodies the varied political and economic landscapes of Europe through France, Germany, and Poland. Its potential does not lie in finding Member States' common denominator, but in becoming the block's spearhead for the most strategic challenges, such as climate action, to forge winning strategies for the EU as a whole.

Eleven years after the inaugural meeting of the Green Weimar Triangle, 2024 has seen renewed and concrete political commitment towards a trilateral collaboration on climate action.



Genshagen Economy and Energy Dialogue 2024

In May 2024, the Weimar Triangle countries signed the 'Weimar Agenda for a strong, geopolitical EU', which emphasises the need to "enhance European security and prosperity through turning the EU into a stronghold for green innovation and investment". Germanwatch and the Genshagen Foundation seized the momentum and organised the 2024 Genshagen Economy and Energy Dialogue on 9 December 2024, together with the French Embassy in Berlin and the German-Polish Chamber of Industry and Commerce.

This Dialogue on the 'Green Weimar Triangle: Shaping the Sustainable Future of European Industry Together' convened representatives from French, German, and Polish governments, energy-intensive and cleantech industries, and leading European think tanks. Against the backdrop of diverging national contexts, they discussed how the Clean Industrial Deal could enable the EU's economic competitiveness and resilience, and simultaneously advance the EU's targets on climate neutrality.

KEYNOTES

In his opening statement, State Secretary **Bernhard Kluttig** highlighted the need for a new economic dynamic that simultaneously ensures long-term European competitiveness, economic and social welfare, climate protection, and resilience. Geopolitical conflicts, volatile economic environments, and ageing societies called for smart policies that implement a green and digital 'Twin Transition', a driver for growth, innovation, and investments. In terms of geopolitics, increased competition, especially on transformative technologies, would spur the EU to respond to the current challenges and to seize the economic opportunities of the Twin Transition.

The German State Secretary welcomed the idea of a Clean Industrial Deal in support of the European Climate Law and in line with the Green Deal and the Green Deal Industrial Plan. For this, enabling conditions on the supply and demand sides needed to be in place. Policymakers should promote lower energy prices for industries through stronger and deeper integration of the European energy union, through continuing the ambitious expansion of renewable energies, developing cross-border infrastructures, and further electrification.

The Clean Industrial Deal should additionally advance circular economy principles to support raw materials security and sustainability. Building on national best practices in Germany, Mr. Kluttig advocated for 'Green lead markets' at EU level to create higher demand for low carbon products, while rules for sustainable public procurement should be strengthened at EU level. Collaboration between businesses and public administration through 'reality checks' should help decrease unnecessary bureaucracy. The EU long-term budget should help close the investment gaps in industrial decarbonisation.

Mr. Kluttig concluded his address by emphasising that the Green Weimar Triangle offers excellent opportunities to design an ambitious Clean Industrial Deal that integrates these different aspects.

Mr. Kluttig was followed by **Orianne Chenain**, Head of Department for Competitiveness, Innovation, and Business Development at the French



Orianne Chenain, Head of Department for Competitiveness, Innovation and Business Development, Ministry of Economy and Finance, Paris

Ministry of Economy, Finance and Industry. Ms. Chenain spoke under the caveat that the political situation in France remained volatile, at the time, in absence of a government. Nevertheless, she emphasised the consensus on the recent Draghi report in France and other Member States. Draghi's important findings on Europe's economic and technological decline vis-à-vis larger competitors called for ambitious response at EU level, notably through the proposed Clean Industrial Deal.

The Deal should reflect four priorities to leverage this opportunity: first, it should ensure consistency between objectives for climate and decarbonisation on the one hand and competitiveness on the other. Ms. Chenain cited several examples: setting realistic objectives for industries, improving European carbon markets, ensuring an effective and ambitious Carbon Border Adjustment Mechanism (CBAM), technological neutrality, and sufficient funding.

Second, the Clean Industrial Deal should, in Ms. Chenain's view, bring a more assertive trade policy to defend EU interests in strategic industries. It should also address unfair competition and the impact of global overcapacities on certain sectors, notably steel.

Thirdly, the Deal should include a proactive 'Made in Europe' strategy at EU level. This would drive demand for sustainable materials, introduce European preference requirements for certain sectors in public procurement, auctions, and EU financing instruments (as the Draghi report recommended), and, finally, mirror clauses in trade agreements. On state aid, the French representative pressed that Important Projects of Common



Bernhard Kluttig, State Secretary, Federal Ministry for Economic Affairs and Climate Action, Berlin and Wojciech Burkiewicz, Deputy Director, Economic Departement of the European Union of the Prime Minister, Warsaw

European Interests (IPCEI) should be simpler and more efficient to expedite the development of European value chains. Finally, Ms. Chenain called for the development of emergency plans for sectors most at risk, namely the steel, automotive, and chemical industries.

Her conclusions underlined that compromises and solutions were needed to enshrine these four priorities in the Commission's communication on the Clean Industrial Deal and that the Weimar Triangle was well positioned to enable these priorities through co-operation.

Wojciech Burkiewicz delivered the last statement at the Energy and Economy Dialogue. He is deputy director of the EU's Economic Department in the Polish Prime Minister's Chancellery.

Mr. Burkiewicz opened his statement with a spotlight on the Polish EU Council Presidency beginning in January 2025, which prioritises 'promoting decarbonisation through incentives and rewards'. Poland views the Clean Industrial Deal as a new European industrial policy aimed at addressing the challenges faced by European industries while enhancing global competitiveness.

Mr. Burkiewicz stressed that the new EU Commission's primary task should be to find swift solutions that reduce energy prices across Member States. He underscored the importance of technological neutrality, particularly in energy production, as a key criterion to be included in the Deal. Crucially, technological neutrality was presented as a prerequisite for achieving climate neutrality. He then advocated for symmetrical EU financial support for various energy technologies. The Polish representative also said there was a

need for climate policies that aim at decarbonisation but also consider industry competitiveness and public welfare. Neglecting these aspects could jeopardise the entire European project.

Closing his speech, Mr. Burkiewicz held that the Weimar Triangle could bolster the Clean Industrial Deal by tackling the challenges of conventional industries. These challenges might vary slightly between Germany, Poland, and France, but the three countries faced common issues that could be addressed across other sectors.

The statements were followed by a discussion on the Green Weimar Triangle's role in shaping the Clean Industrial Deal, with nearly 50 high-level participants, moderated by **Joanna Maria Stolarek**, Director of the Heinrich Böll Foundation in Warsaw. The discussion was conducted under Chatham House Rules.

DISCUSSION

As the EU continues to pioneer climate policies and strive for climate neutrality, participants saw the Clean Industrial Deal as a key framework to achieve the EU's climate targets while fostering economic benefits and enhancing long-term competitiveness in net zero industries. Three main outcomes to shape the upcoming initiative emerged in the discussion.

First, the EU's climate neutrality targets should lie at the heart of the Clean Industrial Deal. This objective should serve as a guiding principle that drives policies and actions across Member States and ensures conditions are in place to support national implementation. Through the Deal, the EU could increase its long-term economic resilience and deliver benefits for EU residents by leveraging the economic benefits of its pioneering climate policies.

Second, the Clean Industrial Deal should focus on enhancing the long-term competitiveness and resilience of the EU's economy through future-oriented investments and infrastructure development in support of net zero technologies. This focus coupled with clean transition plans for conventional industries was seen as a potential to ensure economic stability in the face of a global market but also pave the way for a robust and adaptive industrial sector.



Johanna Maria Stolarek, Director Heinrich-Böll Foundation Warsaw

Third, discussants emphasised that the Clean Industrial Deal should recognise and respect diverse national contexts and approaches to decarbonisation in the EU. Each Member State had unique starting points, challenges and opportunities, and the Deal should build on these differences to create a cohesive and inclusive industrial strategy. At the same time, such a cohesive approach would allow to better build on the opportunities offered by the Single Market and to ensure that all countries, regardless of their economic status or industrial capacity, can contribute to and benefit from the Deal.

The Clean Industrial Deal represents a significant step towards a greener and more resilient Europe. The EU can lead the way in global climate action and secure a prosperous future for all its residents if it focuses on climate neutrality, competitiveness, and inclusivity. The Green Weimar Triangle should build consensus on crucial issues of the EU climate and energy policies. With key stakeholders, it has the potential to directly influence the long-term strategic development of the EU's energy and industrial transition towards climate neutrality.

The Ministers for European Affairs of the three countries issued a joint statement three days after the Genshagen Economy and Energy Dialogue, at the Weimar Triangle meeting in Genshagen 12–13 December 2024.

It called for 'an ambitious Clean Industrial Deal that fosters the green transition, in particular, by allowing for a successful transformation of our industrial base, and brings immediate benefits. for the EU's citizens and companies, including lower energy prices'.



Green Weimar Triangle in Genshagen

The three ministers highlighted the need to develop and implement 'an effective industrial policy to ensure that Europe remains a manufacturing powerhouse and becomes a global leader in key technology sectors', echoing the priorities that emerged in the Energy and Economy Dialogue.

Programme

Welcoming remarks

Martin KOOPMANN, Executive Board, Genshagen Foundation

Christoph BALS, Policy Director, Germanwatch **Claire THIRRIOT-KWANT**, French Embassy in Germany

Discussion and keynotes

Bernhard KLUTTIG, State Secretary, Federal Ministry for Economic Affairs and Climate Action, Berlin

Orianne CHENAIN, Head of Department for Competitiveness, Innovation and Business Development, Ministry of Economy and Finance, Paris

Wojciech BURKIEWICZ, Deputy Director, Economic Department of the European Union of the Office of the Prime Minister, Warsaw Moderation: **Joanna Maria STOLAREK**, Director Heinrich-Böll Foundation Warsaw

Closing remark

Marie AUGÈRE, Project lead, Genshagen Foundation Genshagen Economy and Energy Dialogue

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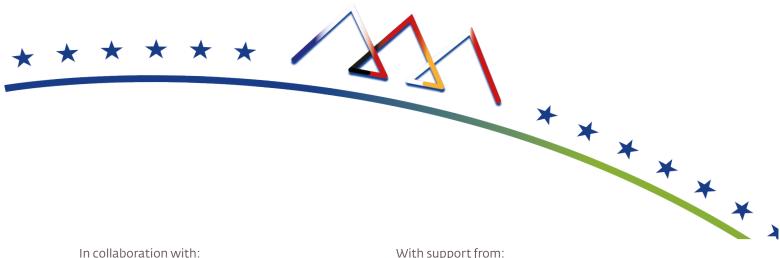
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