Towards a cohesive Clean Industrial Deal that supports net zero

Policy options from think tanks and industry representatives of the Weimar Triangle countries

Executive Summary

To achieve the European Union's climate neutrality targets and strengthen the global competitiveness of European net zero industries, the EU needs a Clean Industrial Deal that supports the decarbonisation of the current industrial base while strengthening net zero innovation and manufacturing through a well-designed policy mix and sufficient funding.

The Weimar Triangle needs to ensure a cohesive Clean Industrial Deal that drives the transition to net zero and enhances European security and prosperity. The three countries can leverage their key roles as industrial powerhouses representing diverse industrial contexts and investment capabilities. Together, they should turn the EU into a stronghold for green innovation and investment. The Clean Industrial Deal ties into this as an opportunity to strengthen the EU's global partnerships and to end its dependence on fossil fuels, in line with the goals laid out in the 'Weimar Agenda for a strong, geopolitical EU'. We recommend that the Weimar Triangle:

- Advocate for Europe's decarbonisation pathway as the strategic objective against which the Clean Industrial Deal and related interventions and funding decisions should be judged. This includes delivering regulatory certainty that already adopted Green Deal legislative objectives will be pursued with enduring ambition.
- Ensure conditions are put in place to support effective implementation at national level and to create economic opportunities for all Member States. Among others, the Weimar Triangle could help advance European integration of infrastructure for cross-border transport of renewable electricity and green hydrogen. The Triangle could also support EU-based cross-border value chains by identifying net zero industry clusters for strategic industries and by targeting demand for sustainable materials through public procurement.
- Support the activation of appropriate public and private levers to fill the investment gap for a sustainable and competitive industrial transformation while pushing for an efficient management of funds and the upholding of social and environmental standards. The different investment capabilities to accelerate the net zero transition across Member States needs to be addressed to avoid a two-speed Europe.
- Learn from experience of economic restructuring at national level to bring a just transition perspective to the Clean Industrial Deal. The Deal should address distributional aspects and skills shortage to ensure a just transition and public acceptance for ambitious climate policies.
- Ensure the EU fulfils its international responsibility on climate action through committed international climate partnerships, which are crucial to enhancing the EU's economic resilience and competitiveness.

There are tremendous socio-economic benefits to expect from a Clean Industrial Deal that aligns with Europe's climate neutrality ambitions. A well-designed Deal can improve Europe's macroeconomic resilience and create leeway to finance the investments and adjustment costs of transforming the European industrial base. If well designed, such a deal could create two million jobs in net zero industries by 2040, save EUR 856 billion on gas, oil, and coal imports between 2025 and 2040, and mitigate the cost-of-living crisis by cutting energy bills for households by two-thirds by 2035.

Think tanks and industry players from the three countries have jointly formulated the policy recommendations in this paper. We stand at the ready to support further institutional trilateral cooperation in the framework of the 'Green Weimar Triangle'.

Publication details

Lead author:
Marion Guénard, Germanwatch

Contributors:
Celia Agostini, Cleantech for France
Sylwia Andralojc-Bodych, Germanwatch
Nicolas Berghmans, IDDRI
Tristan Beucler, Cleantech for France
Lukasz Dobrowolski, Climate Strategies Poland
Ciaran Humphreys, I4CE
Philipp Jäger, Jacques Delors Centre at Hertie School
Marcin Korolec, Green Economy Institute
Neil Makaroff, Strategic Perspectives
Karsten Neuhoff, DIW
Paula Nipper, Germanwatch
Rebekka Popp, Stiftung KlimaWirtschaft
Aleksander Śniegocki, Reform Institut
Simon Wolf, Germanwatch

Published by:
Germanwatch e. V.

Office Bonn:
Kaiserstr. 201
D-53113 Bonn
Phone +49 (0)228 / 60 492-0, Fax -19

Office Berlin:
Stresemannstr. 72
D-10963 Berlin
Phone +49 (0)30 / 57 71 328-0, Fax -11

Internet: www.germanwatch.org
Email: info@germanwatch.org

12/2024

Suggested citation:
Guénard, M. et al., 2024, Towards a cohesive Clean Industrial Deal that supports net zero, www.germanwatch.org/en/91801.

Download this document at: **www.germanwatch.org/en/91801**

Front cover picture: Cranes at the Port of Hamburg (Germany), Christian Lue, Unsplash

Front cover design: Melanie Hauke

STIFTUNG MERCATOR

This publication is financially supported by Stiftung Mercator.

Germanwatch is responsible for the content of this publication.

Contents

Abbreviations

CBAM	Carbon Border Adjustment Mechanism
CID	Clean Industrial Deal
ETS	Emissions Trading System
JETPs	Just Energy Transition Partnerships
NZIA	Net Zero Industry Act

1 Context and opportunities

The EU needs a Clean Industrial Deal (CID) that fosters decarbonisation of industries and strengthens net zero innovation and manufacturing. With a well-designed CID, the EU can achieve its climate neutrality targets and enhance global competitiveness of its net zero industries. **The EU should build on a well-prepared mix of regulation, pricing, and financial incentives to align the industrial transformation with its climate neutrality targets**. To future-proof EU industries, the Weimar Triangle countries should address three challenges:

- **The dire investment gap for a sustainable and competitive industrial transformation**: Europe's competitiveness in net zero industries and the decarbonisation of its industrial base face a significant investment gap, highlighted by Mario Draghi in his latest report.[1] Both the Net Zero Industry Act (NZIA) and the Strategic Technologies for Europe Platform (STEP) have failed to address it adequately. Private cleantech investments have plateaued[2] due to uncertainty about their economic viability, among other reasons. Cleantech companies struggle to access funding to scale up, and investments in industrial decarbonisation projects are delayed. Public financial support is limited by the return of tighter fiscal rules at EU level and competing spending priorities. The different investment capabilities to accelerate net zero transition across Member States risk a two-speed Europe. This puts its long-term cohesion and political consensus in support of the transition at stake.
- **Vulnerabilities to global risks and competition**: European businesses and producers are facing enormous economic pressures due to stiffening global competition, growing geopolitical tensions, and dependence on critical materials and clean technologies value chains. Under the upcoming Trump administration, the EU will likely face more tariffs and protectionism. The huge potential for North–South co-operation to implement the transition to non-fossil energy and economic systems has not yet translated into geopolitical alliances. These aspects are leaving the European economy increasingly vulnerable.
- **Just transition**: The growth of the EU cleantech industry can create 468,000 jobs by 2030.[3] However, Europe faces a labour and skills shortage[4] across industries, with job vacancies having doubled between 2019 and 2023. Urgent action is required to reverse this, and job losses in 'conventional' industries need to be addressed simultaneously. Furthermore, international solidarity and climate partnerships should help create a level playing field for partner countries outside Europe.

The socioeconomic benefits of pursuing a CID that addresses these challenges while aligning with Europe's climate neutrality ambitions are substantial. A well-designed CID can improve macroeconomic resilience in Europe and create leeway to finance the investments and adjustment costs of transforming the European industrial base.

[1] European Commission, 2024, EU Competitiveness: Looking Ahead (accessed 10 October 2024).
[2] See Cleantech for Europe, 2024, Financial Year 2023 Briefing, p. 1 (accessed 21 October 2024).
[3] European Commission, 2023, Report from the Commission to the European Parliament and the Council: Progress on Competitiveness of Clean Energy Technologies, p. 14 (accessed 21 October 2024).
[4] Ibid., p. 15.

A recent report by Strategic Perspectives[5] found that a holistic European Industrial Strategy delivering on a net 90% reduction pathway by 2040 has the potential to:

- **Reindustrialise Europe** by creating 2 million jobs in net zero industries by 2040, of which 1.6 million by 2035, to
- **Strengthen energy security** by saving EUR 856 billion on gas, oil, and coal imports between 2025 and 2040, and to
- **Mitigate the cost-of-living crisis** by cutting energy bills for households by two-thirds by 2035.

2 Why is the Weimar Triangle key for the Clean Industrial Deal?

The Weimar Triangle has a key role to play in ensuring the CID becomes a cohesive project that supports the transition to net zero while building on the strengths of the Single Market. France, Poland, and Germany are Europe's industrial powerhouses, collectively representing 43% of the EU's sold industrial production.[6] The three countries also capture approximatively 38% of all cleantech deals within the EU.[7]

The Polish perspective is critical in ensuring an EU-wide solution that avoids fragmenting the single market and creates economic opportunities for all Member States. The Franco–German 'New agenda to boost competitiveness and growth in the European Union'[8] rightly emphasises that an effective industrial policy is needed to bolster the Green Deal. However, the agenda fails to acknowledge the contexts and needs of Member States with less fiscal capacity, such as Poland. **With 71.8% of the aid measures approved under the Temporary Crisis and Transition Framework (TCTF) allocated to France and Germany,**[9] **the Polish perspective is critical in ensuring an EU-wide solution, which avoids fragmenting the single market and creates economic opportunities for all Member States.** Poland will hold the presidency in the EU Council in the first hundred days of the new EU Commission. Increasing collaboration in the Weimar Triangle can boost the new European industrial policy.

Such an intensified collaboration can also contribute to achieving the goals laid out in the 'Weimar Agenda for a strong, geopolitical EU'. Its declared aims are namely 'to enhance European security and prosperity also through turning the EU into a stronghold for green innovation and investment and phasing out the EU's dependence on Russian fossil fuels' while 'strengthening the EU's global partnerships […] in line with Global Gateway objectives'.[10]

3 Objectives of this paper

Our policy paper combines expert inputs from Weimar Triangle countries, including from think tanks and industry stakeholders. In doing so, we capture national best practices and the compromises

---

[5] Strategic Perspectives, 2024, Forging Economic Security and Cohesion in the EU (accessed 22 October 2024).
[6] Eurostat, 2024, Industrial Production Statistics (accessed 29 October 2024).
[7] Cleantech for Europe, 2024, Q1 2024 Briefing (accessed 30 October 2024).
[8] Bundesregierung Deutschland, 2024, New Agenda to Boost Competitiveness and Growth in the European Union (accessed 29 October 2024).
[9] European Commission, 2024, Competition State Aid Brief (accessed 18 November 2024).
[10] Auswärtiges Amt, 2024, A Weimar Agenda for a Strong, Geopolitical EU (accessed 31 October 2024).

necessary to reflect diverse European contexts that are, at least in part, evident in the Weimar Triangle countries.

We believe policy makers should pursue our recommendations at European level to strike a CID that supports the EU's climate ambitions. The three governments should put in place institutional frameworks to support trilateral co-operation on the topics in this paper in the format of the 'Green Weimar Triangle'. Foreign ministers have called for this format in the 'Weimar Agenda for a strong, geopolitical EU' of May 2024. The organisations that helped prepare this paper stand ready to support the three governments to green the Weimar Triangle and to discuss the policy recommendations presented here.

4 Policy recommendations

The Weimar Triangle should advance a CID that supports the decarbonisation of existing industries and the development and deployment of net zero technologies to reach climate neutrality by 2050. At the same time, the CID should shape economic opportunities for all Member States and ensure strategic EU value chains in high-potential regions across the EU. Finally, the CID should guarantee a fair transition for citizens and companies in the EU and advance transition in other world regions.

4.1 Enabling conditions for EU-wide industrial decarbonisation

The broad scope of the CID currently lacks a clear, unified strategic objective to contrast with policy interventions and funding decisions. Europe's decarbonisation pathway should inform the design of CID measures. At the same time, conditions need to be in place to support effective implementation at Member States' level.

Support net zero through EU governance

- Support businesses in pursuing net zero **transformation by delivering political and regulatory certainty** that already adopted Green Deal legislative objectives will be pursued with enduring ambition. Support the presentation of a legislative proposal for an EU climate target for 2040 in line with the recommendations of the European Scientific Advisory Board on Climate Change to send a clear signal to the European economy.[11] Simultaneously support effective implementation at Member States' level.
- Ensure 'cutting red tape' does not mean lowering environmental, social, and public participation standards. The focus should rather be on **harmonising standards and reporting requirements, modernising and digitalising administrative processes, and simplifying access to existing EU funds.**
- Encourage the development of **net zero industrial action plans per sector**, realistically outlining the role of key technologies, circularity and material efficiency in achieving the climate targets, and incorporating employment and economic development goals. The

[11] European Scientific Advisory Board on Climate Change, 2023, Scientific Advice for the Determination of an EU-wide 2040 Climate Target and a Greenhouse Gas Budget for 2030–2050 (accessed:05 October 2024).

Wind Power Action Plan[12] should be replicated for the other strategic manufacturing sectors for net zero technologies as defined in the NZIA[13] and for emission intensive industries. The three countries' efforts to develop European supply chains on lithium-ion batteries could pay dividends in the design of an action plan for this sector.[14]

- Support the **identification of net zero industry clusters for establishing cross-EU value chains for strategic industries**, based on a careful evaluation of regional skills, technological capabilities, transition pressures, and renewable energy capacity. This should come with a regional focus such as on transboundary industry and cohesion regions within the Weimar Triangle.
- **Reform the Important Projects of Common European Interests (IPCEI)** to ensure accelerated and simplified access to funding as well as stronger EU co-ordination and EU financial support. This will encourage cross-border economies of scale and the building of European value chains sector by sector.[15]

Promote resilient value chains by targeting demand for sustainable materials from Europe

- **Drive demand for green materials through public procurement** building on the concept for green lead markets[16] for climate friendly materials put forward by the German government.[17] The Weimar Triangle has a key role to play in pushing for green steel demand at the European level, accounting for 41,1 percent of crude steel production in Europe[18].
- **Widening the use of sustainability and resilience criteria in procurement,** for instance through production targets on European soil for a few strategic sectors or materials, based on a thorough vulnerability analysis. At the consumer level, the French 'bonus écologique' system could be applied across Member States to support electric vehicles purchases at consumer level (for electric vehicles with a low carbon emissions over the full lifecycle).
- **Centre the European industrial strategy on a resource-saving, circular economy**. Services reducing resource needs should have priority, followed by incentives to improve recycling quality and to use recycled materials in production. Barriers to the circulation of waste materials within Europe should be brought down while measures to reduce waste exports to third countries should be considered.

Enable energy infrastructure and taxation for net zero transition

The economic transformation has slackened due to limited renewable electricity and hydrogen at internationally competitive prices.

[12] European Commission, 2023, An EU Wind Power Action Plan to Keep Wind Power a European Success Story (accessed 25 October 2024).
[13] European Commission, 2024, Regulation (EU) 2024/1735 of the European Parliament and of the Council of 13 June 2024 on Establishing a Framework of Measures for Strengthening Europe's Net-zero Technology Manufacturing Ecosystem and Amending Regulation (EU) 2018/1724 (accessed 11 October 2024).
[14] Lagurashvili, T., 2024, A Vision for Poland's Clean Energy Transition (accessed 30 October 2024).
[15] Strategic Perspectives, 2024, The Global Net-zero Industrial Race is on: A Wake-up Call for a Powerful Clean Industrial Deal (accessed 11 October 2024).
[16] Bundesministerium für Wirtschaft und Klimaschutz, 2022, Transformation zu einer klimaneutralen Industrie: Grüne Leitmärkte und Klimaschutzverträge (accessed 9 October 2024).
[17] EU-guaranteed price floors for green certificates could complement this to support investment predictability. These floors can first be tested in the steel industry. For more information, see: Jäger, P., 2024, Almost a Free Lunch: Boosting Investment Predictability for the Green Deal (accessed 13 November 2024).
[18] EUROFER, 2023, European steel in figures 2024 (accessed 13 November 2024)

- **The European Energy Market needs better integration.** This can be achieved by bolstering rapid cross-border infrastructure development, especially for renewables and green hydrogen,[19] for example through increased funding for the Connecting Europe Facility. Similarly, the Polish perspective should be reflected into the recent French–German action plan on flexible electricity.
- **Align the energy taxation directive with the European Climate Law** to contribute to net zero industrial development while ensuring competitive energy prices for European industries.

4.2 Financing an EU green industrial deal for the entire single market

Europe's industry investments will need to increase six fold compared to the previous decade to meet climate neutrality by 2050.[20] Public and private levers can help fill this gap but will need to be harmonised to efficiently manage existing funds.

Manage existing public funding better and simplify access

- **Improve efficiency in the allocation of EU funds and ease access**: Co-ordinate funding at EU level and ensure geographical balance to enhance resource allocation and make better use of the single market. Calls for tender need to be simplified, and funding decisions need to become faster.
- **Reforming state aid**: Legal conditions should change to integrate environmental and social criteria in state aid policies. State aid should not only apply to investment costs but also operational costs, while allowing for fair competition in net zero ecosystems.
- **Improve data collection and analytical capacities** to allow for the thorough screening of business environments, technologies, electricity flexibility needs, and market development options in Europe. The Weimar Triangle countries should co-operate with the European Commission to develop an EU-financed data infrastructure. This infrastructure should allow more frequent and granular transmission of data currently collected at national levels. The European Commission should use this data for better impact assessments.

Mobilise public funding at EU level

- **The EU budget for 2028–2034 must prioritise net zero transition**. The upcoming 'European Competitiveness Fund' announced by Ursula von der Leyen should allocate sufficient funding to develop infrastructure and to scale up green solutions with best business case prospects. It should target strategic net zero industrial projects in high-potential regions with less fiscal capacity to prevent a two-speed Europe.

[19] Stiftung KlimaWirtschaft, 2024, Climate Action is Essential for Competitiveness: Demands by German Business Leaders for the New EU Commission (accessed 15 November 2024).
[20] European Chemical Industry Council (Cefic), 2024, The Antwerp Declaration for a European Industry Deal (accessed 16 October 2024).

- **New dedicated revenues are necessary**, particularly as long as free allowance allocation under the EU Emissions Trading System (ETS) persists until 2034 (and thus limits ETS auction and Carbon Border Adjustment Mechanism (CBAM) revenues and increases funding needs due to partially muted carbon price incentives). The Weimar Triangle countries should explore ways to close the carbon pricing gap, for example through climate contributions on basic material production and imports.[21]
- **Develop a co-ordinated European scheme, such as Carbon Contracts for Difference, to support decarbonisation of energy-intensive industries** and to offer investment security in a context of CO_2 price uncertainty, while ensuring technical alignment of national schemes.

Mobilise private funding

- European institutions should **fully engage with institutional investors** to mobilise private funding, for example by harmonising prudential rules[22] and through matchmaking platforms. France has made great strides in facilitating institutional investors' investments in venture capital with its 'Tibi' initiative. This marketplace initiative should be expanded at the EU level to encourage pension funds to invest in European net zero companies.
- **Advance the capital market union** by building on the bottom-up approach envisaged in the French–German roadmap for the capital markets union[23] and enriching it with the Polish perspective.
- Expand instruments such as the **European Investment Bank's counter-guarantee facility** for wind energy manufacturing to other clean and strategic technologies (e.g. battery gigafactories, electrolysers, renewables based e-kerosene) or sectors (e.g. the rolling stock) with both high capital investment requirements and a high potential to contribute to climate neutrality. Similarly, the Hydrogen Bank model of fixed premium auctions could include other strategic cleantech sectors or parts of the value chain such as battery components or green steel, both of which are key sectors for the Weimar Triangle countries.[24]
- Further develop the EU Sustainable Finance Framework **to allow transformational corporate investments to be recognised as sustainable**. A transition category should be added to the Sustainable Finance Disclosure Regulation (SFDR).

[21] A potential instrument ensuring effective carbon prices and providing dedicated revenues while free allocation is phased out is a climate contribution on basic material production and import at the value of free EU ETS allowance allocation. It would be implemented similarly to an excise charge and levied symmetrically on imports (including manufactured products) and waived on exports of materials and products comprising these materials. The Commission (in the context of the CBAM file) and others have investigated economic, administrative, and legal feasibility of this proposal in detail. See: Climate Strategies, 2023, Three Principles to Close the Gaps in the EU's Net-zero Industry Plans (accessed 18 November 2024).
[22] Cleantech for Europe, 2024, A Cleantech Investment Plan for European Competitiveness (accessed: 30 October 2024).
[23] Bundesfinanzministerium Deutschland, 2023, A French–German Roadmap for the Capital Markets Union (accessed 14 October 2024).
[24] Institute for Climate Economics (I4CE), 2024, Making a Success of the Clean Industrial Deal (accessed 13 November 2024).

4.3 Ensuring a just transition within and beyond Europe

The countries of the Weimar Triangle have a long-standing history of economic restructuring. They can and should help bring a just transition perspective to the CID. The Deal should address distributional aspects and skills shortage to ensure a just transition and public acceptance for ambitious climate policies. The EU can only fulfil its international responsibility if it engages significantly more in international climate partnerships[25], including climate financing, technology co-operation and capacity development and further development of Just Energy Transition Partnerships (JETPs) also for the green industry. Furthermore, strong global partnerships are crucial for the EU's economic resilience and competitiveness, ensuring access to critical materials and reinforcing the EU's position in a multipolar world.[26]

Address the distribution aspects of de/re-industrialisation

- Map industries and regions that the clean transition disadvantages and their potential to profit from clean transition as precisely as possible. **Support for disadvantaged regions should be a priority** of the next Multi-annual Financial Framework and of the Cohesion Policy revision.
- **Design temporary social safety nets** such as an unemployment reinsurance scheme building on the successful European Instrument for Temporary Support to Mitigate Unemployment Risks in an Emergency (SURE), set-up during the COVID-19 crisis.[27]

Address skill shortages and employment opportunities

- **Foster the transition of companies and workforce from fossil/conventional industries to strategic industries**. Positive examples from the Weimar Triangle countries include the development of the battery valley in northern France and the heat pump valley in southern Poland. Both channel industrial investments into former coal and industrial regions.
- **Invest in high-quality skills needed to build up cleantech manufacturing at regional levels**: The Weimar Triangle countries should lead by example and use EU initiatives such as the Net Zero Academies or the Regional Skills Partnerships as starting points to develop cross-border programs. Major players in industrial ecosystems and value or supply chains, including associations, relevant public authorities, small and medium-sized enterprises, and civil society actors commit to invest and co-operate on upskilling and reskilling opportunities. This could be done in the Lausitz, Grand Est, Silesia, and other regions, for example on automotive production, coal industry and refinery capacities, and solar production.
- **Advocate for EU-wide schemes targeting skills development, especially for youth**, such as a 'Transformation-Erasmus' with cross-border training opportunities and stronger co-operation of educational institutions and companies. Education and training must be geared towards sustainability, circularity, and climate protection, for example through conditionality criteria for funding access.

[25] ESABCC, 2023, Scientific Advice for the Determination of an EU-wide 2040 Climate Target and a Greenhouse Gas Budget for 2030–2050 (accessed 5 October 2024).
[26] Goritz, A., 2024, Rethinking EU Partnerships with the Global South (accessed 15 November 2024).
[27] European Commission, n.d., The European Instrument for Temporary Support to Mitigate Unemployment Risks in an Emergency (SURE) (accessed 22 October 2024).

International co-operation and solidarity

- **Design new Clean Trade and Investment Partnerships** in a fair and transparent manner to foster stable and mutually beneficial trade relationships. These partnerships should be based on a fair share of value creation in the different regions and the respect of human rights and high social and environmental standards to support the local population. A **reformed Global Gateway** with a stronger focus on climate and energy investments should support these partnerships. In this regard, JETPs must improve finance provision and genuinely contribute to local development and a just transition. The International Partners Group (IPG) of donor countries, to which both Germany and France belong, should explore links between JETPs and initiatives such as the Climate Club to support a just transition and incentivise the development of low carbon industries.[28] Germany's upcoming partnerships evaluation can serve as an example for the EU of how to improve partnership coordination, effectiveness, and participation.
- The EU should assist third countries in introducing their own CO_2 pricing mechanisms. In doing so, third countries can avoid paying CBAM fees to the EU and invest the savings into the climate-friendly transformation of their industries. This will **drive industrial transformation at global scale and a level the playing field for European exports**.

5 Global outlooks

The EU needs substantial investments and policy reforms to decarbonise its industries with solidarity and in a competitive manner. The Clean Industrial Deal is a promising chance to support competitiveness, sustainability, and prosperity within the EU but it must be purposefully designed as an EU-wide project to benefit all Member States, with international co-operation in mind. In times of geopolitical uncertainty, the CID can signal unity among EU leaders. Security, including energy security, will certainly be a priority for the incoming Polish EU presidency and for future Weimar Triangle meetings. Nevertheless, the three countries need to leverage collective leadership to shape the CID, particularly with regards to the points addressed in our paper.

In light of the US elections, the Weimar Triangle should help ensure a unified response to global political changes. Policymakers from the three industrial powerhouses should liaise closely with companies whose business might be severely impacted by measures of the upcoming Trump administration. Overall, the Weimar Triangle should ensure a cohesive European response to US protectionism.

The Triangle's cohesive response must be paired with a commitment to global climate ambitions, including fossil fuel phase-out. This is all the more important since the next generation of climate transition plans (the Nationally Determined Contributions, NDCs) is due by the COP30 in 2025 (which will also mark the tenth anniversary of the Paris Agreement). The EU has a global responsibility to prove that its economy is on track to transition to clean and resilient futures. The EU cannot remain exposed to climate risks and lock itself into fossil pathways that undermine long-term prosperity and resilience. This responsibility should be a transpartisan priority in the three national parliaments and at EU level. The Paris Agreement stands at a critical juncture in a time of geopolitical uncertainty and division. What happens between now and COP30 will shape the fate of multilateralism on climate action for years to come.

[28] E3G, RIFS Potsdam, Germanwatch, 2024, Just Energy Transition Partnerships: What Donors Must do to Drive Progress (accessed 15 November 2024)

References

Auswärtiges Amt, 2024, A Weimar Agenda for a Strong, Geopolitical EU, https://www.auswaertiges-amt.de/en/newsroom/news/-/2658078 (accessed 31 October 2024)

Bundesfinanzministerium Deutschland, 2023, A French-German Roadmap for the Capital Markets Union, https://www.bundesfinanzministerium.de/Content/EN/Downloads/Europe/roadmap-capital-markets-union.pdf?__blob=publicationFile&v=1 (accessed 14 October 2024)

Bundesministerium für Wirtschaft und Klimaschutz, 2022, Transformation zu einer klimaneutralen Industrie: Grüne Leitmärkte und Klimaschutzverträge, https://www.bmwk.de/Redaktion/DE/Publikationen/Ministerium/Veroeffentlichung-Wissenschaftlicher-Beirat/transformation-zu-einer-klimaneutralen-industrie.pdf?__blob=publicationFile&v=8 (accessed 9 October 2024)

Bundesregierung Deutschland, 2024, New Agenda to Boost Competitiveness and Growth in the European Union, https://www.bundesregierung.de/resource/blob/992814/2288870/23c101565db60621beaa2d5e6026b5c8/2024-05-28-deu-fra-papier-eng-data.pdf?download=1 (accessed 29 October 24)

Cleantech for Europe, 2024, A Cleantech Investment Plan for European Competitiveness, https://s3.amazonaws.com/i3.cleantech/uploads/additional_resources_pdf/49/349/EU_Cleantech_Investment_Plan_Report.pdf (accessed 30 October 2024)

Cleantech for Europe, 2024, Financial Year 2023 Briefing, https://www.cleantech-foreurope.com/publications/cleantech-annual-briefing-2023 (accessed 21 October 2024)

Cleantech for Europe, 2024, Q1 2024 Briefing, https://cdn.prod.website-files.com/626fd2b7495a6f980eab20c8/664c87fd87fd6adadcb7fc55_Quarterly%20Briefing%20Q1%202024_130524.pdf (accessed 30 October 2024)

Climate Strategies, 2023, Three Principles to Close the Gaps in the EU’s Net-zero Industry Plans, https://climatestrategies.org/three-principles-to-close-the-gaps-in-the-eus-net-zero-industry-plans (accessed 18 November 2024)

E3G, RIFS Potsdam, Germanwatch, 2024, Just Energy Transition Partnerships: What Donors Must Do to Drive Progress, https://www.germanwatch.org/en/90903 (accessed 15 November 2024)

EUROFER, 2023, European steel in figures 2024 , https://www.eurofer.eu/publications/brochures-booklets-and-factsheets/european-steel-in-figures-2024 (accessed 13 November 2024)

European Chemical Industry Council (Cefic), 2024, The Antwerp Declaration for a European Industry Deal, https://www.vci.de/ergaenzende-downloads/10-punkte-plan.pdf (accessed 16 October 2024)

European Commission, 2023, An EU Wind Power Action Plan to Keep Wind Power a European Success Story, https://commission.europa.eu/news/eu-wind-power-action-plan-keep-wind-power-european-success-story-2023-10-24_en (accessed 25 October 2024)

European Commission, 2023, Competition State Aid Brief, https://competition-policy.ec.europa.eu/system/files/2023-07/state_aid_brief_1_2023_kdam23001enn_TCTF_survey_0.pdf (accessed 31 October 2024)

European Commission, 2024, EU Competitiveness: Looking Ahead, https://commission.europa.eu/topics/strengthening-european-competitiveness/eu-competitiveness-looking-ahead_en (accessed 10 October 2024)

European Commission, 2024, Regulation (EU) 2024/1735 of the European Parliament and of the Council of 13 June 2024 on Establishing a Framework of Measures for Strengthening Europe's Net-zero Technology Manufacturing Ecosystem and Amending Regulation (EU) 2018/1724, https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=OJ:L_202401735#anx_1 (accessed 11 October 2024)

European Commission, 2023, Report from the Commission to the European Parliament and the Council: Progress on Competitiveness of Clean Energy Technologies, https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52023DC0652 (accessed 21 October 2024)

European Commission, n. d., The European Instrument for Temporary Support to Mitigate Unemployment Risks in an Emergency (SURE), https://economy-finance.ec.europa.eu/eu-financial-assistance/sure_en (accessed 22 October 2024)

European Scientific Advisory Board on Climate Change, 2023, Scientific Advice for the Determination of an EU-wide 2040 Climate Target and a Greenhouse Gas Budget for 2030–2050, https://climate-advisory-board.europa.eu/reports-and-publications/scientific-advice-for-the-determination-of-an-eu-wide-2040 (accessed 5 October 2024)

Eurostat, 2024, Industrial Production Statistics, https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Industrial_production_statistics#Industrial_production_by_country (accessed 29 October 2024)

Goritz, A., 2024, Rethinking EU Partnerships with the Global South, https://www.germanwatch.org/sites/default/files/germanwatch_rethinking_eu_partnerships.pdf (accessed 15 November 2024)

Institute for Climate Economics (I4CE), 2024, Making a Success of the Clean Industrial Deal, https://www.i4ce.org/wp-content/uploads/2024/09/Making-a-Success-of-the-Clean-Industrial-Plan.pdf (accessed 13 November 2024)

Jäger, P., 2024, Almost a Free Lunch: Boosting Investment Predictability for the Green Deal, https://www.delorscentre.eu/en/publications/detail/publication/boosting-investment-predictability-for-the-green-deal (accessed 13 November 2024)

Lagurashvili, T., 2024, A Vision for Poland's Clean Energy Transition, https://cdn.catf.us/wp-content/uploads/2024/02/01123911/CATF-A-Vision-for-Polands-Clean-Energy-Transition.pdf (accessed 30 October 2024)

Stiftung KlimaWirtschaft, 2024, Climate Action is Essential for Competitiveness: Demands by German Business Leaders for the New EU Commission, https://klimawirtschaft.org/publikationen/positionen/eu-positionspapier-wettbewerbsfaehigkeit-braucht-klimaschutz (accessed 15 November 2024)

Strategic Perspectives, 2024, Forging Economic Security and Cohesion in the EU, https://strategicperspectives.eu/report-forging-economic-security-and-cohesion-in-the-eu (accessed 22 October 2024)

Strategic Perspectives, 2024,The Global Net-zero Industrial Race is On: A Wake-up Call for a Powerful Clean Industrial Deal, https://strategicperspectives.eu/wp-content/uploads/2024/10/The-global-net-zero-industrial-race-is-on-report.pdf (accessed 11 October 2024)

Outstanding achievements are built upon a sturdy foundation.

We provide our publications to the public without any charge. To make this happen, donations and membership fees play a crucial role. These contributions keep us independent and able to keep tackling pressing matters with a solid, science-based approach in the future. You too can make a difference!

Supporting us is as simple as making an online donation:

www.germanwatch.org/en/donations

For donations, please use the following account:
IBAN: DE95 3702 0500 0003 2123 23, BIC/Swift: BFSWDE33XXX

Becoming a **sponsoring member** stands out as one of the most impactful ways to make a difference. Regular backing from a broad community of individuals helps us plan for the long term and keeps our commitment strong. Plus, you will get access to captivating in-depth reports and the latest updates on the initiatives undertaken by Germanwatch.

www.germanwatch.org/en/membership

Should you have any inquiries, please feel free to contact us:
Phone: +49 (0) 228 604920, email: info@germanwatch.org

Germanwatch

Following the motto of *Observing. Analysing. Acting.* Germanwatch has been actively promoting global equity and livelihood preservation since 1991. We focus on the politics and economics of the Global North and their worldwide consequences. The situation of marginalised people in the Global South is the starting point for our work. Together with our members and supporters, and with other actors in civil society, we strive to serve as a strong lobbying force for sustainable development. We aim at our goals by advocating for prevention of dangerous climate change and its negative impacts, for guaranteeing food security, and for corporate compliance with human rights standards.

Germanwatch is funded by membership fees, donations, programme funding from Stiftung Zukunftsfaehigkeit (Foundation for Sustainability), and grants from public and private donors.

You can also help us to achieve our goals by becoming a member or by making a donation via the following account:

Bank für Sozialwirtschaft AG
BIC/Swift: BFSWDE33XXX
IBAN: DE95 3702 0500 0003 2123 23

Germanwatch – Bonn Office
Kaiserstr. 201
D-53113 Bonn, Germany
Phone: +49 (0)228 / 60492-0
Fax: +49 (0)228 / 60492-19

Germanwatch – Berlin Office
Stresemannstr. 72
D-10963 Berlin, Germany
Phone: +49 (0)30 / 5771328-0
Fax: +49 (0)30 / 5771328-11

Email: info@germanwatch.org

www.germanwatch.org

GERMANWATCH

Observing. Analysing. Acting.
For Global Equity and the Preservation of Livelihoods.