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Climate Action in the Global South

Revitalised Cooperation or Exacerbated Polarisation?

Sabina Wölkner

Combining climate protection with economic progress is key if we want to revitalise our cooperation with developing and emerging countries. Sustainability can provide an added value in this context, if and when it makes concrete contributions to partner countries' development. In view of current geopolitical developments and given their own ambivalent climate policies, Germany and the EU must shape these partnerships in a pragmatic, flexible and strategic way.

International climate policy is focused on the target of doing everything possible to limit global warming to 1.5 degrees Celsius above the pre-industrial era. The aim is to achieve climate neutrality by the middle of the century. According to the current findings of the Intergovernmental Panel on Climate Change (IPCC), this target can only still be met by means of a massive reduction in global greenhouse gas emissions. The 1.5-degree target was reaffirmed at the UN Climate Change Conference in Sharm El-Sheikh. Nonetheless, there is a considerable gap between this declaration of intent and the decarbonisation pathways being pursued by the parties to the Paris Agreement. The voluntary commitments announced to date by the various countries – the so-called Nationally Determined Contributions (NDCs) – are far from sufficient. Indeed, global average temperatures have already risen by approximately 1.1 degrees Celsius compared to pre-industrial times.

The consequences of climate change are already visible, and it is the developing countries that are particularly affected. The frequency and intensity of extreme weather events have increased significantly in recent years – and the poorest of the poor are doubly punished. They lack the capacity and resources to guard against this. At the same time, they bear virtually no responsibility for anthropogenic climate change. This concerns Africa in particular, where the vast majority of the 46 least developed countries (LDCs) are located. Accounting for about one fifth of the world's population, the continent is responsible for less than three per cent of the world's energy-related emissions. It is true that South Africa's CO_2 emissions have seen a rapid increase, but Sub-Saharan Africa still has the lowest per capita emissions rate in the world.[1]

Industrialised Nations and Emerging Countries Are in the Same Boat

These countries are not the main contributors to global CO_2 emissions. While China, by far the largest emitter, has a share of almost 31 per cent (2021) of annual global CO_2 emissions, the United States is in second place with just under 13 per cent. They are followed by India (about 7 per cent), Russia (4.7 per cent) and Japan (just under 3 per cent). In a global comparison, Germany is in seventh place at just under 2 per cent. Saudi Arabia, Indonesia and South Korea are also in the top ten.[2]

If we look at energy-related global CO_2 emissions per capita (2021), this alters the ranking in that Qatar, with 35 tonnes of CO_2 per capita, the United Arab Emirates (just under 22 tonnes), Saudi Arabia (just under 19) and Australia (15) are at the top of the list. Seen from this perspective, the figure for the United States, at just under 15 tonnes, is significantly higher than for China (around 8 tonnes) and India in particular (just under 2 tonnes). Germany is in the middle of the pack along with the Netherlands at around 8 tonnes per capita, followed by Malaysia (also just under 8 tonnes), Norway and South Africa (both 7).[3] While per capita emissions in the industrialised countries are declining, they are growing rapidly in the emerging countries and in China.

Both sets of figures clearly show that the decline in global CO_2 emissions required to meet the Paris climate targets can only be achieved by means of joint action. The main responsibility for CO_2 emissions lies with the Western industrialised countries, but the emerging markets are catching up. If we look at the climate footprint of the G20 – a forum that brings together industrialised countries and the economically strongest emerging economies – it is clear that efforts must include this group of nations, too.

The elephant in the room is China: despite its extremely high CO_2 figures, Beijing insists on continuing to be treated as a developing country in international climate negotiations. This classification is based on the UN Framework Convention on Climate Change (UNFCCC) adopted in 1992 and the principle enshrined therein of "common but differentiated responsibility", according to which – in line with the "polluter pays" principle – the industrialised countries are required to make the largest contribution to combating climate change, while the developing countries receive financial support. In sticking to its classification as a developing country, Beijing thus sees the United States and the other Western industrialised nations as having to bear the greatest burden. This position no longer appears to be in keeping with the times, however. Since its accession to the World Trade Organization (WTO) in 2001, China has increased its CO_2 emissions enormously and is now second only to the United States in terms of historically accumulated emissions (1875 to the present).

Renaissance of Coal – Fuel for Global Growth

China's large carbon footprint is due to the fossil fuels in the country's energy mix and its enormously high level of consumption. In the electricity sector, coal dominates at about 60 per cent. According to data published by the Global Energy Monitor, the country is adding new coal-fired power capacity every year. Last year alone, it approved a total capacity of 106 gigawatts, which is equivalent to about 100 large coal-fired power plants.[4] Today, China is responsible for more than half of global coal consumption.

Yet China is by no means an isolated case. In India, too, the main share of emissions in the energy sector comes from coal-fired power generation, followed by industry (steel and cement) and the transport sector. In 2022, coal-related carbon emissions increased by about six per cent compared with the previous year. Although CO_2 emissions are only at about one third of the EU's per capita figure, the country's projected population and economic growth will cause a further increase in energy consumption.

Most recently, it has been the non-OECD countries that have been responsible for the rapid growth in coal consumption.

A similar growth dynamic is evident in Indonesia, with experts predicting it will become the fourth largest economy by 2050. Its global CO_2 emissions are still far below those of India, with a share of around 1.7 per cent, but here again, the largest share of emissions comes from coal combustion. At the same time, based on a regional comparison, Indonesia has the highest share of coal in its electricity production (around 80 per cent).

These developments are in line with the assessment by experts that in recent decades, it has been the non-OECD countries – above all China and India – that have been responsible for the rapid growth in coal consumption.[5] By contrast, the growth curve in the industrialised countries has continued to flatten, even though in 2021 the United States still ranked third in the world with around 10 exajoules of installed coal capacity. This ranking was led by China with some 86 exajoules. India comes next with around 20 exajoules, followed by Japan (4 exajoules), and then South Africa, Russia and Indonesia (all around 3).[6] Fatih Birol, Executive Director of the International Energy Agency (IEA), warns that the "historically high level of coal power generation is a worrying sign of how far off track the world is in its efforts to put emissions into decline towards net zero."[7]

Climate Action and the Russian War of Aggression – Setback or Reset?

In the wake of Russia's war of aggression against Ukraine, global coal consumption has not only continued unabated. While it was previously fuelled by the non-OECD countries, consumption in the EU and its member states likewise increased in the course of 2022. Driven by concerns about security of supply due to the war-related energy crisis, Germany in particular increasingly put old coal-fired power plants back into operation. Even though, according to the 2022 World Energy Report, this did not result in a further increase in CO_2 emissions in the EU, emerging countries – above all the BRICS states – saw this as evidence of alleged "double standards" and issued a joint statement at the UN Climate Change Conference in Egypt denouncing the Europeans' actions.[8] Germany in particular was criticised for sharply increasing its coal imports from South Africa while at the same time never tiring of invoking the global coal phase-out.

But the IEA also sees the war as a turning point and does not regard the short-term growth in European coal consumption as working against the target of climate neutrality in the long term.[9] On the one hand, coal consumption in the EU has been in decline for decades and is to be made entirely unprofitable by the gradual expiry of CO_2 certificates under the reformed Emissions Trading Scheme (ETS). Moreover,

Two sides of the same coin: While China has the largest installed solar and wind energy capacity worldwide, it is also the world's number one emitter of carbon dioxide. Photo: © CFOTO, NurPhoto, picture alliance.

since the war of aggression started, Brussels has been expanding its incentive schemes to drive the expansion of renewables: just as coal consumption in Europe reached an all-time high, the share of renewables in the electricity supply increased as well. New peak levels were already reached last year throughout the EU.[10]

While China and Indonesia aim to be carbon neutral by 2060, India is giving itself time until 2070.

Experts expect a run on renewables worldwide, too. By 2027, newly installed renewable electricity capacity is expected to increase by almost 2,400 gigawatts, with global coal consumption expected to plateau by 2025.[11] China is regarded as holding the greatest leverage when it comes to reversing the trend. For years, the government in Beijing has been expanding its capacities in the field of renewables and is the undisputed world leader in terms of total installed solar and wind capacity. The country also dominates the market for renewable electricity production plants and in many cases holds a monopoly position when it comes to the critical raw materials required for clean tech products.[12]

India is catching up in the expansion of renewables, too. By the end of 2022, the subcontinent had already reached fourth place with a total produced capacity (including hydropower) of 163 gigawatts, behind China (1,161 gigawatts), the United States (352 gigawatts) and Brazil (175 gigawatts). Germany ranked fifth with 148 gigawatts.[13] The expansion of renewables in India is expected to double in the course of the next five years,[14] an assumption that is borne out by announcements made by Prime Minister Narendra Modi.[15] Yet at the same time, experts complain that decarbonisation in the energy-intensive sectors is not yet economically viable because the overall conditions for investments in renewables are inadequate.[16] At the same time, there is increasing pressure on India and the other main emitters to switch to climate-neutral energy sources. More than 130 countries have committed to the goal of climate neutrality and must now back up this commitment by pursuing decarbonisation pathways. The so-called global stocktake is on the agenda of the forthcoming UN Climate Conference in Dubai (COP28): here, the shortcomings of the NDCs are to be addressed in order to remain within reach of the 1.5-degree target. But the path to climate neutrality in the high-emission emerging economies often has longer deadlines: while China and Indonesia are looking to achieve climate neutrality by 2060, India is giving itself time until 2070. What they all have in common is that the expansion of renewables is a key factor.

Fossilisation, Decarbonisation, Polarisation?

The war in Ukraine has thus had a twofold impact. On the one hand, global CO_2 emissions are on the increase due to the worldwide "renaissance of coal" – and it is not only many of the emerging countries that are holding on to coal for the time being due to the imponderables of the energy supply situation. On the other hand, the war is fuelling the global expansion of renewables, thereby making wind and sun even more profitable. So the pendulum is swinging in the other direction, too: financial commitments for renewables reached 499 billion US dollars in 2022 – approximately 69 billion more than in the previous year.[17] Investments are unevenly distributed, however: China continues to account for the bulk of this development, although in East Asia, Vietnam has recently been conspicuous, too. Apart from the other usual suspects such as the United States, the EU and other industrialised countries, particularly high figures are also to be found in India, Chile and Brazil.[18] It is striking in this connection that Sub-Saharan Africa is falling behind – despite pioneers such as Kenya, whose share of renewable electricity production today comprises around 90 per cent of the total electricity mix, and South Africa, the investment magnet in southern Africa. Africa's LDCs in particular are being given a wide berth: an average of

only 0.84 per cent of global investment went to these countries between 2013 and 2020.[19] This may also be due to the fact that they have other more pressing problems at present: there are currently around 590 million people in Sub-Saharan Africa who still have no access to electricity at all, for example.[20] For this reason, Francesco La Camera, Director-General of the International Renewable Energy Agency, is calling on governments and development partners to play a more active role in ensuring a more equitable flow of finance that takes greater account of the differing contexts in the different countries.[21]

In developing countries, too, renewable energy and fossil fuels are frequently being developed at the same time. Green hydrogen is soon to be produced in Mauritania, an African desert state that ranks towards the bottom of the Human Development Index (HDI). Yet gas fields have been discovered there that are to be exploited for export, too. So it is fitting when, at the height of the energy crisis in Europe, Chancellor Olaf Scholz courted Senegal on his trip to Africa in an attempt to establish cooperation in the use of gas resources and his Minister of Economic Affairs enthused about prosperity through green value chains in Namibia while at the same time having LNG terminals built in Germany. Admittedly, there need be no contradiction in the use of natural gas as a transition technology on the road to decarbonisation. Gas exports also provide developing countries with a source of revenue that can be channelled into their own development, and there are those that advocate the use of this energy source to drive local industrialisation.[22] Nonetheless, Germany's manoeuvring reveals an ambivalence in its climate policy, underpinning the impression in many emerging and developing countries that the EU, and Germany in particular, are "preaching water but drinking wine".

It was not possible to overcome this reservation at this year's Petersberg Climate Dialogue either. On the contrary: this line of conflict appears to be reinforced in the debate surrounding the role of technologies for carbon capture and storage (CCS) in connection with climate action. Germany and the Europeans were disconcerted by designated COP28 President Sultan Ahmed Al Jaber's call for a phase-out of "fossil emissions" – as opposed to fossil energies. That wording is regarded by climate activists as a back door for the extended use of fossil energies, whose emissions would then be neutralised by CCS technologies, which, however, are still hardly available in emerging countries. The German government advocated the setting of a binding expansion target for renewable energies, once again speaking out in favour of the end of fossil fuels.[23]

But since many developing countries are well aware of the new debate that has been sparked in Germany and Brussels, in which CC(U)S (carbon capture (utilisation) and storage) is being proposed as one element contributing to a climate-neutral and competitive industry, the Europeans' demands seemed one-sided to them. This impression was reinforced by the G7's rather vague commitment to accelerating the phase-out of "unabated fossil fuels" without setting out a concrete roadmap with interim targets up until 2050.[24]

Concerns about energy supply security have come to the fore since the start of Russia's war of aggression.

This ambivalence plays into Beijing's hands: it is in China's interest to fuel mistrust of the Western industrialised countries in order to secure loyalty among the countries of the Global South. At the same time, China's efforts are also falling on fertile ground since the industrialised countries are already struggling with a credibility problem now that their promise of climate financing worth 100 billion US dollars has been broken several times. In view of this, it is not surprising that India, for economic reasons, does not find it reprehensible to obtain cheap coal and oil from Russia despite Western sanctions on the latter.[25]

Climate neutrality remains the common goal of the international community, and there is growing pressure on the main emitters to do more about it. Nonetheless, concerns about energy supply security have come to the fore since the start of Russia's war of aggression. In Germany in particular, the hitherto prevailing idealised image of a world of renewables is now becoming broader – based on the realisation that, given international links and dependencies, more weight needs to be given to geopolitical considerations in shaping climate action partnerships.

Sustainability and Values – Added Value or Hindrance?

Partnership for Global Infrastructure and Investment (PGII)

The Partnership for Global Infrastructure and Investment (PGII) initiated by the United States at the G7 Summit in June 2022 makes no secret of its political thrust. In connection with this initiative, which is essentially a 600-billion-dollar loan programme running until 2027 to finance infrastructure projects in developing countries in the areas of climate, global health, gender equality and connectivity, the White House made it clear that it is about a "values-driven, high-impact, and transparent infrastructure partnership" that will meet the enormous demand in middle-income and low-income countries.[26] The partnership was launched in response to China's Belt and Road Initiative (BRI), with which Beijing has been promoting infrastructure projects worldwide since 2013. While opinions differ as to whether China is deliberately lending to weak economies in order to drive them into dependency ("debt diplomacy"), it is undisputed that this instrument is an essential part of China's foreign policy agenda and serves to expand its influence in the world.

In view of this, Washington has come to newly appreciate the value of cooperating with developing countries, especially in Africa.[27] Supported by the G7 members and the EU, the partnership promises "game-changing deals". The aim is to "deliver quality, sustainable infrastructure that makes a difference in people's lives around the world, strengthens and diversifies our supply chains".[28] At the same time, it is about accountable institutions, standards, clean tech and job creation. But it is still too early to say whether the PGII is the answer to the huge demand for investment and infrastructure in developing countries. Since the US-led G7 initiative is dependent on the mobilisation of private capital, the first task in many countries will be to establish the necessary framework and capacity for bankable projects and to reduce capital costs. In order to stand up to China effectively, the announcement of the undertaking needs to be swiftly followed up by implementation.

The EU's Global Gateway strategy is intended to offer alternatives to the Chinese model of cooperation for the countries of the Global South.

This also applies to the broad-based EU connectivity strategy Global Gateway, which aims to mobilise up to 300 billion euros for investment between 2021 and 2027: with sustainability being elevated to a guiding principle here, too, and the primary goal being to help developing and emerging countries build the urgently needed transport, energy and digital infrastructure, this also seems to be about ensuring that the countries of the Global South are offered alternatives to the Chinese model of cooperation.

Just Energy Transition Partnership (JETP)

Supported by a group of Western countries and the EU, the Just Energy Transition Partnership (JETP) likewise takes a values-based approach. Unlike PGII and Global Gateway, JETP focuses on the energy policy sector and strives for a just transition. The first partnership with South Africa was agreed on at the UN Climate Change Conference in Glasgow on the initiative of

Germany, France, the United Kingdom and the EU. The primary goal is to help the country phase out coal. A socially compatible transition is an essential aspect of this partnership as almost 90 per cent of South Africa's electricity comes from coal. The coal industry is a relevant economic sector and a key employer in the country. For this reason, guidelines for change are to address specific issues such as job creation, with a focus on social groups in need.[29]

Consultation processes are to involve civil society, academia and trade unions, but NGOs feel that this has not been successful in all areas.[30] The centrepiece of the partnership is the investment plan proposed by South Africa, which was officially adopted by the G7 countries at the UN Climate Change Conference in Egypt. Using various financing instruments and private capital, more than 8.5 billion US dollars are now to be mobilised (Germany is contributing 700 million euros and has recently pledged another 320 million). But since the country itself estimated the funding requirements for the transition to be many times higher, South Africa's president called for more subsidies and low-cost loans rather than loans at market rates.[31] Given the enormous financing needs in South Africa and indeed elsewhere in the Global South, too, it is equally evident that public funds alone will not be able to fix the problem.

A key success factor of decarbonisation will certainly be social acceptance.

Despite the criticism, the partnership initiative has already set a precedent for other countries: in addition to Indonesia, which adopted a JETP at the G20 Summit in Bali, there is also an agreement with Vietnam. Although negotiations are still ongoing with India and Senegal, differences between the partnerships are already beginning to emerge. While in South Africa it was possible to tie in with existing decarbonisation plans, it remains to be seen whether this will succeed in the other countries as well. A key success factor will certainly be social acceptance of the reform process. This is the case in South Africa, for example, where people's dissatisfaction with the country's inadequate electricity supply is a major driver of change. These kinds of endogenous factors can sometimes be crucial in determining whether fundamental reforms have the potential to succeed since they focus on the accountability of the country's own decision-makers.

At the same time, decarbonisation in emerging economies depends on other factors such as a sufficient and affordable supply of the critical raw materials needed for clean tech: according to World Bank forecasts, demand in this area – for example for lithium – is expected to increase exponentially by 2050 as global climate action progresses.[32] Since the Russian war of aggression has made dependence on Chinese raw material supplies a political issue too, especially in the Western industrialised countries – approaches to diversifying raw material supply chains can already be seen in the United States as part of the Inflation Reduction Act passed in August 2022 and in the EU in the form of the planned Net-Zero Industry Act – it is important to link this to a secure, clean and affordable supply of raw materials in the context of climate partnerships such as the JETPs, too. For example, India is supposed to harbour significant amounts of Lithium. Nevertheless, further explorations will be required to ascertain the projects' economic rentability. At the same time, there are open questions about environmental risks, political stability and how large the reserves actually are.

Carbon Leakage and CBAM: Two Sides of the Same Coin

The EU and Germany regard one of the key issues in relation to global decarbonisation as being the phenomenon of carbon leakage, i.e. the outsourcing of production and the migration of companies to countries with lower climate standards that do not require emissions trading certificates, for example, in order to

take advantage of cost benefits. Potentially, this could not only result in an increase in global CO_2 emissions but also risks exacerbating international competitive disadvantages for European business and industry in energy-intensive sectors. For this reason, the Carbon Border Adjustment Mechanism (CBAM) adopted in Brussels in December 2022 is designed to prevent the above-mentioned effects in the wake of rising CO_2 prices.

Even though the mechanism initially only covers energy-intensive economic and industrial sectors such as the steel industry, for instance, the CBAM was viewed critically by the emerging economies even at an early stage. The BRICS countries in particular have repeatedly expressed their rejection of the mechanism – most recently at the UN Climate Change Conference through the group of so-called Like-Minded Developing Countries (LMDC).[33] India, whose metals

German Federal Chancellor Olaf Scholz visiting South African President Ramaphosa in Pretoria: Since the start of Russia's war of aggression against Ukraine, Germany has increased its coal imports from South Africa, while at the same time supporting its partner in its decarbonisation efforts. Photo: © Kim Ludbrook, epa, picture alliance.

industry would be heavily affected by the mechanism, warned that the decision could affect negotiations on the free trade agreement with the EU.[34] LMDC member Vietnam must now also do more to reduce its CO_2 product share in future, and this is true to an even greater extent of China. Goods worth 626 billion euros were imported by the EU in 2022.[35] Some experts point out that the impact of the CBAM will nevertheless be limited because only a fraction of Chinese exports fall within the relevant sectors.[36] And they believe there will be positive opportunities, too: China has operated its own emissions trading system in the electricity sector since 2020 and is now planning to extend this to other sectors, for example. Here, pressure from the CBAM could speed up implementation.[37]

The Climate Club's goals include "transforming industries jointly to accelerate decarbonisation".

Emerging economies such as India have also increased the pace of reform in recent times, passing a law in 2022 to establish national emissions trading, among other things. There is a catch, however: the systems are currently not very compatible with the EU emissions trading system. While in China the CO_2 price per tonne is far below that in the EU and the difference in price is thus too high to derive any significant benefit for the global climate, the other projects are only just getting under way. The clash with India has recently intensified, with New Delhi now considering imposing retaliatory tariffs on EU imports as a potential response to the CBAM.[38] It remains to be seen whether Brussels will succeed in smoothing the waters. It is not least against this background that an EU-India Trade and Technology Council (TTC) was recently launched.

After a monitoring phase starting in October 2023, the CBAM is due to officially enter into force in 2026. Border adjustment is an essential part of the Fit for 55 reform package to advance European emissions trading (EU ETS), and the ETS is essential for the EU to meet its climate targets. At present, the EU ETS covers about 40 per cent of total emissions in the EU. By 2030, emissions in the ETS sectors have to be reduced by 62 per cent compared with 2005. The mechanism is to be extended to cover buildings and transport by 2027 (ETS 2).[39] In terms of the frequently invoked level playing field, the border adjustment mechanism appears indispensable in the transition phase from an EU perspective, so trade conflicts with countries such as India are inevitable.

Climate Club – An End to Divergence?

Not least in order to defuse these controversies, the German government proposed the establishment of a Climate Club during the German G7 presidency. This would involve "transforming industries jointly to accelerate decarbonisation" while at the same time "expanding markets for green industrial products".[40] Little action has been taken to date, however. Although the G7 statement on the Climate Club mentions "explicit carbon pricing, other mitigation approaches and carbon intensities", it has little to say about the instruments and concrete objectives – possibly also because the G7 countries have differing ideas on these issues.[41] At the 2022 UN Climate Change Conference, Chancellor Scholz again made an attempt to promote the Climate Club, emphasising that it was open to emerging economies. While Kenya recently expressed its support for membership, persuading key emitters such as India and China to join will be crucial if the club is to be truly effective.

The difficulty here is that as the club becomes more inclusive, it will become more heterogeneous due to the differing situations in the various countries, which in turn could make it more difficult to arrive at concrete agreements. While some experts advocate the creation of common product standards or rules for climate-neutral products rather than common CO_2 pricing, others see the greatest potential in the coordination of national climate measures. One point that is common to all the proposals is that the

involvement of emerging economies is essential to the success of the undertaking in order to substantially reduce global CO_2 emissions while at the same time avoiding competitive subsidising to promote clean tech, as well as protectionist measures – which would ultimately be detrimental to the global climate. Essentially, the aim must be to take into account the needs on both sides – industrialised nations and emerging economies – and to use incentive systems to encourage the adoption of climate standards and the development of CO_2 pricing systems.[42]

The idea of expanding the planned Climate Club to form a Global Climate Alliance and focussing on sectors such as steel and cement production in the initial phase is a step in the right direction. But whether or not cooperation can develop under such an alliance will depend on the extent to which the industrialised countries will be in a position (financially) to bear the costs of aligning climate standards in the Global South in times of multiple global crises and at the same time helping to mobilise sufficient investment. Moreover, emerging economies would have to be willing to accept rigorous benchmarks and establish transparent monitoring to advance decarbonisation in key sectors.

Given its own ambivalence with regard to climate policy, Germany must also allow its partners greater flexibility in the transition to a climate-neutral energy supply.

Conclusion

1. Cooperation with China on global climate action is and will remain essential in view of the country's enormous carbon footprint. Despite international tensions, it is vital that options for climate policy cooperation continue to be explored on an ongoing basis. However, China's classification as a developing country no longer seems appropriate in this connection: a reassessment is urgently needed. Involving the country in a global climate alliance is a potential option here. At the same time, cooperation with India and the other emerging countries under the various climate cooperation models must be advanced, and agreements concluded swiftly.

2. In view of Russia's war of aggression, both energy security and climate action have to be taken into account to a greater extent when establishing collaborative platforms, and these must also be linked to a secure, clean and affordable supply of raw materials. Given its own ambivalence with regard to climate policy, Germany must also allow its partners greater flexibility in the transition to a climate-neutral energy supply. Despite the expansion of renewables, coal remains a relevant component of the electricity supply for the time being in many emerging countries and also currently acts as a kind of guarantee to guard against the energy policy uncertainties caused by the Russian war of aggression; Germany should therefore weigh up its demands for a global coal phase-out more carefully, expand partnerships in the Global South and also be open to the responsible use of CCS technologies in those countries.

3. Value orientation and sustainability in the climate partnerships pursued by Germany, the EU and the G7 countries with developing and emerging countries can offer advantages over the models offered by Beijing, but only as long as the partnerships promise the population of the partner country a concrete benefit that is geared towards their own economic development – and are not perceived as an externally imposed condition, let alone an obstacle. Multi-stakeholder dialogues can help involve all relevant groups beyond the government elites, thereby including differing perspectives on the energy transition. As the underlying conditions for this kind of dialogue may be lacking in

developing countries, partnerships should also address the necessary political reforms and jointly advance them based on governance designed for this purpose and anchored in the country's own structures.

– translated from German –

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