



E3G

Build Back Better: Policymaking for a post-COVID19 World

Ata Insights webinar

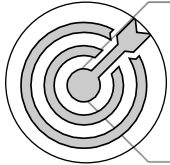
Lisa Fischer, E3G

21 May 2020

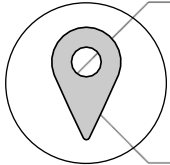
What is E3G?



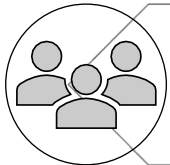
What: [E3G](#) is an independent climate change think tank.



Mission: To accelerate the transition to a climate safe world.



Where: London, Brussels, Berlin, Dublin and Washington D.C. and staff in seven other countries worldwide.

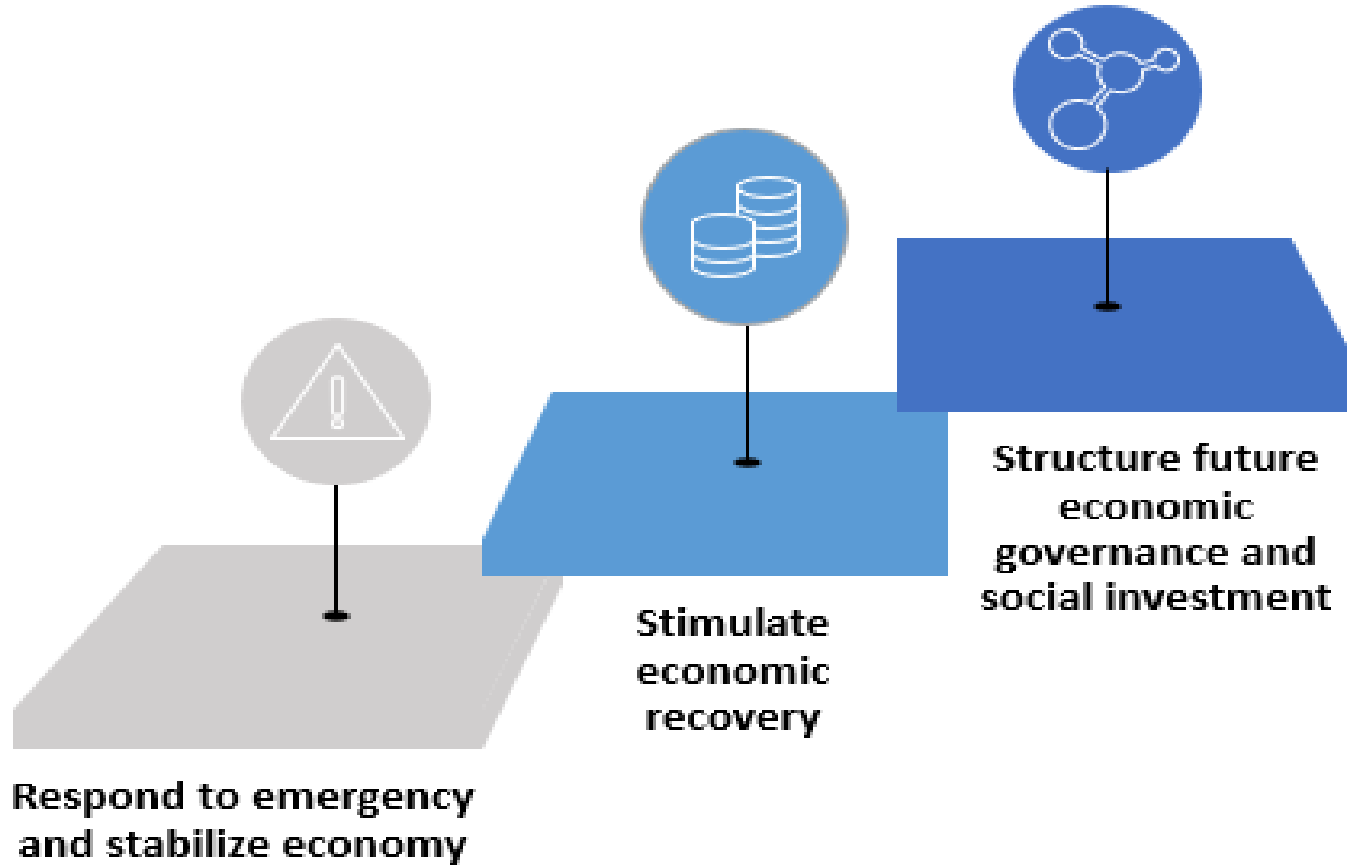


How: We deliver outcomes through coalitions with partners in government, politics, NGOs, science & media.



Funding: Primarily from philanthropic foundations.

The different phases of the response



- Phase 1 mainly reflects the economy and economic, social and political structures as they are.
- In phase 2 and 3 the ability of the new, clean economy to show how it contributes to the parameters of the government response matters most.
- Learning from past crises suggests that the progression between these phases is quick.

Parameters
of
government
response

- Health response
- Life support to companies and employees

- Increase consumption
- Maintain or boost employment

- Increase resilience to future shocks
- Invest in sust. growth and livelihoods

Countries will Move at Different Rates, but are Connected through Global Supply Chains

**Respond to emergency
and stabilize economy**

**Stimulate
economic recovery**

**Structure future
governance & investment**



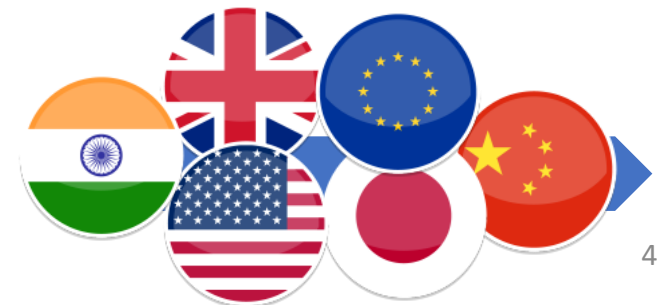
**Q2
2020**



**Q3
2020?**



**Q2
2021?**



Phase 2: Headwinds and tailwinds for renewable, smart and efficient power systems

Maintain and create employment

Boost disposable income

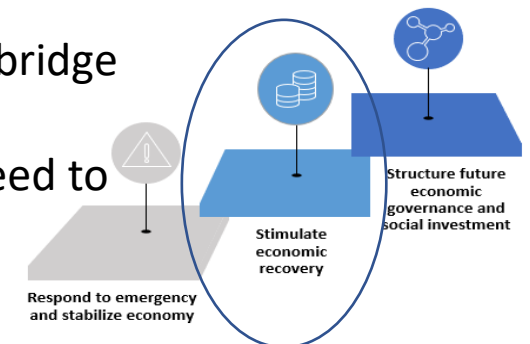
Tail-
winds

- **Pace:** Renewables and efficiency projects can be quickly deployed (if processes are streamlined); in many countries there is already a case for repowering old wind farms.
- **Significance:** In many countries, renewables employment is already significant ([11m globally](#) in 2018).

- **Multiplier:** Demand side response and efficiency investments (incl. cooling) can increase disposable income of individuals and industrial consumers/cashflow.
- Training schemes for transition from fossil sectors can keep people on an income and reduce skills shortages in critical future industries (ILO).

Head-
winds

- Low fossil fuel price mean incentives to invest are lower. → Need governments to bridge that.
- Low unionisation/limited political voice of employees in renewables industry → need to ensure balanced conversation of existing and future jobs.
- There may be a constraint in skilled workforce in particular for building insulation.





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Phase 3: Headwinds and tailwinds for renewable, smart and efficient power systems

Increase resilience to future shocks

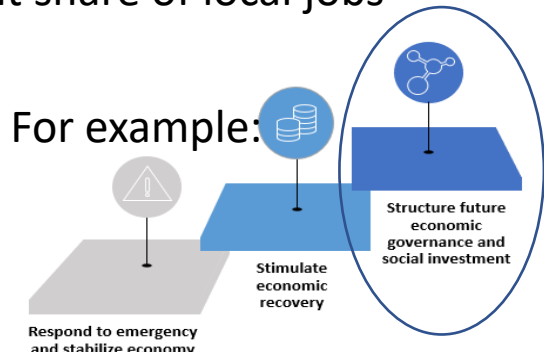
- **Competitiveness:** Renewables consistently cheaper than fossils ([IRENA](#)), in some places even in combination with batteries.
- **Resilience:**
 - Climate impacts will impact performance of thermal plants ([Cronin et al 2018](#))
 - Investing in efficient cooling can reduce future peak demand.

Invest in sustainable growth and livelihoods

- **Health:** Reducing air pollution, e.g. from replacing dirtier cooking fuels (coal, wood or fossil gas)
- **Growth:** Renewables are a global growth market and set to expand by 50% btw 2019 and 2024 ([IEA](#))
- **Jobs:** Servicing of renewables plants or efficient appliances create significant share of local jobs beyond initial installation.

Breaking the “glass ceiling” for clean energy solutions needs more than just money: For example:

- EU energy system planning is supply focussed and led by network owners
- Regulated returns for “infrastructure” and not “services” skews financing costs
- Climate modelling & climate impacts not built into energy modelling
- Reference studies for national planning often use quickly outdated assumptions (e.g. IEA WEO)



Tail-winds

Head-winds

About E3G

E3G is an independent climate change think tank accelerating the transition to a climate safe world.

E3G builds cross-sectoral coalitions to achieve carefully defined outcomes, chosen for their capacity to leverage change. E3G works closely with like-minded partners in government, politics, business, civil society, science, the media, public interest foundations and elsewhere. In 2018, for the third year running, E3G was ranked the fifth most globally influential environmental think tank.

More information is available at www.e3g.org