



17.05.2022 Statement by the German Council for
Sustainable Development

Turning Point for a Consistent Sustainability Policy

– Recommendations of the German Council for Sustainable Development to secure the global sustainability perspective in light of the war in Ukraine



Germany and Europe are at a turning point

The Russian war of aggression in Ukraine, which violates international law, is threatening peace, freedom and human rights throughout Europe and putting our political and economic order at risk. It calls for our unmitigated solidarity with Ukraine and best possible support for the nation. At the same time, the war and its impacts, especially on energy supply and global food security, are bringing starkly home to us the urgency of socioeconomic transformation for the security, human rights and welfare of all people.

The war and its consequences make achieving the global Sustainable Development Goals (SDGs) harder. Inequality and structural poverty will get worse, making it all the more important that we realise what is really at stake here: to find a way out of the crisis, we need a new kind of coexistence in Germany, new alliances in Europe and with global partners, and a clear post-war vision. Given what we already know about how rapidly the climate and biodiversity crisis is advancing, procrastination, or even a rollback of climate, environmental and agricultural policy, is not an option.

Against this backdrop, the RNE is calling on all decision-makers in government and opposition, as well as in the economy and society, to point their compass towards sustainability, resource conservation and climate neutrality – in other words, achieving the SDGs and the Paris climate targets. If measures aimed at acute crisis management, such as reducing existing reliance on fossil fuels, have a negative impact on sustainability in the short term, then it is all the more essential that we step up our efforts towards climate protection, sustainability and resilience in parallel.

Exemplary decisions are needed on a national, European and global level

The RNE recommends that the following decisions be made to lead the way on a national and European level:

Exemplary decisions at national level

1. Already before the war, transforming the energy system was expected to be the biggest single factor in the achievement of climate neutrality. Now, the expansion of renewables, chief among them solar and wind power, and the building of a green hydrogen economy are being foregrounded in security policy, too. The transformation needs turbo-charging if we are to reduce dependence on fossil fuels and reach the agreed climate targets. This requires not only faster processes, but also a new consensus across society as a whole. As such, the RNE is appealing to all parties and parliamentary groups in both



the Federal Government and the Länder to pull together in a national effort and bring about the appropriate momentum for implementation and innovation. We support the accelerated application of the measures set out in the Coalition Agreement on the energy transition (*Energiewende*) and climate change mitigation and recommend fast-tracking the expansion routes and land-use designations for renewable energies.

2. Europe now needs to overcome its dependence on fossil fuels, especially Russian gas and oil, even more quickly than before. This urgently requires, first and foremost, specific steps towards energy saving and sufficiency in industry, households and transport, for instance a refurbishment drive for private and public buildings, conversion of industrial processes, and quick-acting measures such as temperature regulation in buildings. Heat-related measures are the most effective lever for minimising reliance on Russian fossil fuel gas. To reduce dependence on Russian oil, meanwhile, we support implementation of the 10-point plan proposed by the International Energy Agency (IEA) (including speed limits on motorways, more working from home, expanding car-sharing and more ambitious fleet targets). Also required is an electrification drive, such as by stepping up the installation of heat pumps – where this is possible and makes economic sense – and switching to e-mobility. In the industrial and heat sector, hydrogen, too, can and must play an important part in the energy transition in the medium term. At the same time, we recommend exploring alternative import options, especially for natural gas, as a matter of urgency, in order to cushion the negative consequences of Russia potentially halting its gas supplies. Any new gas import structures developed must be sure to avoid lock-in effects. Moreover, the RNE assumes that the German economy and energy supply sector will both be highly dependent on energy imports (including hydrogen) in the future as well. The maximum possible diversification, therefore, is imperative when it comes to new energy supply agreements. New supply dependencies, especially on non-democratic states, must likewise be avoided. In the interests of climate protection and sustainability, the ambitious coal phase-out set out in the Coalition Agreement must not be called into question.

In the event of supply bottlenecks caused by Russia withholding its gas supplies, new gas supply partnerships should be sought which go hand in hand with the delivery of efficiency technologies and other sustainability tech from Germany to the supplying countries. If the need arises to produce additional energy and heat from coal, the flexibilities built into the European emissions trading scheme should be utilised. In any event, we need to ensure that over the next two to three years, extra capacities can be activated in an emergency. On top of that, the cost-saving measures would need to be further accelerated.

3. The circular economy must now become more than just a headline. Its development will allow significant reductions in resource wastage and



dependence as well as climate-damaging emissions. What's more, lower resource consumption means that supply dependencies and corresponding costs can be markedly reduced. Among other things, we deem it more essential than ever to rapidly put forward an ambitious strategy for a circular economy that creates a strong foundation for swiftly implementing resource-saving measures.

4. The consequences of the war call for targeted additional funds, both for groups of people and companies in Germany that are particularly affected, and for accommodating and integrating refugees into the labour market and education system, as well as for humanitarian aid. Furthermore, there is an additional need for aid to support the Global South in overcoming the impacts of the war and pandemic. As public budgets in Germany have already been severely stretched by the pandemic containment measures, private investment funds should be mobilised, as far as possible, for the forthcoming transformation processes, for instance by making greater use of sustainable finance principles. By the same token, all public investment and funding decisions must be consistently aligned with sustainability principles. Subsidies that are harmful to the environment or climate (e.g. the company car privilege, support for diesel-based public transport, and the lower VAT rate on meat) must be systematically phased out. If, as is conceivable, the aforementioned financing needs in Germany and the international finance commitments cannot be otherwise covered, the debt brake anchored in the Basic Law should also be suspended in 2023. How to proceed with regard to the medium-term financial framework needs to be considered along the same principles. A balanced financial framework lays the foundation for the Federal Government to implement the sustainability goals in line with its own commitments and Germany's shared global responsibility. In the situation of multiple crises we find ourselves in, options for increasing revenues should not be off-limits if designed to avoid social distortions. At the same time, however, spending must also be consistently reviewed from the point of view of sustainability. Avoiding further damage to our natural capital, not least in the interests of future generations, must be the baseline of a sustainable budgetary and financial policy.
5. We urge the Federal Government to address the social impacts of the price rises in energy, food and other essential basic goods with a targeted approach. Social adjustments here should be concentrated on households that are particularly badly hit; windfall gains as well as negative effects on environmental and climate protection and existing price formation processes, such as in relation to carbon pricing, must be avoided. This being the case, the RNE deems first and foremost direct payments to the hardest-hit to be a reasonable measure. Similarly, we would encourage the German government to communicate openly on losses of material prosperity, whether already being felt or still to come.



Exemplary decisions at the European level

6. The quickest and most efficient route to freedom from dependence on (Russian) fossil fuels is to tackle the issue at a pan-European level. Under the current auspices, the ambition of the European Green Deal to uncouple economic growth from consumption of resources is now more than ever pointing in the right direction. The RNE calls for immediate and systematic implementation of the Green Deal concept, in order to speed up the shared expansion of renewable energies, the improvement of energy efficiency and the building of a green hydrogen economy over the next few years. Against the current backdrop, it should be examined whether the level of ambition in individual areas such as energy efficiency can, and should, be raised. Building on the historic success of the European Coal and Steel Community, which ultimately led to the founding of the present-day EU, all interested Member States should establish within the EU framework a new European alliance for renewable energies and green hydrogen. However, as Germany and Europe cannot for the foreseeable future become self-sufficient based purely on their own renewable energies, we recommend forging renewable energy, hydrogen and climate partnerships worldwide, which, by stimulating economic, energy and security policy, will provide benefits for both sides. As such, realigned partnerships designed according to these principles, such as with North Africa and the Middle East focusing on green hydrogen and its derivatives, could play a key strategic role (see, for example, the Desert Energy Project).
7. To safeguard jobs and enhance supply chain resilience, and in so doing maintain Europe's competitive position, it is essential to secure strategically relevant raw materials and basic commodities as well as resources and to diversify their sources. In the RNE's view, stronger European cooperation and a coordinated industrial policy are necessary to reduce dependencies and increase diversification and competitive capacity in strategically relevant areas. Particularly in this context, it is imperative to quickly establish a circular economy throughout Europe.
8. To ensure peace, protect human rights and defend our basic values, cooperation on security in the EU needs to be stepped up still further. Security, sustainability and climate policy should be better integrated in terms of strategy, for example vis-à-vis a joint European energy infrastructure. We need to start thinking already about a post-war strategy. This should include elements of security policy – including arms control and disarmament – which give consideration to “human security” around the world, but also encompass setting up new, shared social and economic development structures, such as the expansion of renewable energies.
9. For the purpose of strengthening pan-European cooperation and security, states like Ukraine, but also Georgia and Moldova, must be given a new European perspective. In this respect we recommend examining various options, including the recommendations from the Conference on the Future of



Europe and the new proposals from President Macron. In addition, the negotiation process with the countries of the Western Balkans must be expedited.

10. In view of the heightened attacks on electronic media since the start of the Russian war of aggression, we call upon the EU Commission and the EU Member States to take steps to ensure a pluralistic public dialogue on the basis of evidence-based information and to prevent the manipulation of information in the electronic media and above all social media. To this end, we see on the one hand the need for greater regulation of social media operators, and on the other, a key role for public broadcasters in Germany through their mandate to guarantee dialogue, an evidence base and representation of different opinions.

Exemplary decisions at international level

The Russian war of aggression is challenging the entire global multilateral order. This, in turn, puts the international structures for achieving the sustainability and climate goals at risk. Global multilateral cooperation and its structures must be reinforced as a matter of urgency, not to mention reformed in the process. Complementary to this, we must on the one hand reinforce cooperation with the countries that share our basic values; on the other, it will be vital for global security and for dealing with major global crises and challenges, that the dialogue and cooperation are also maintained with rivals in competing ideological systems, in keeping with the United Nations Charter. In the face of multiple, parallel and interwoven crises like the impacts of the war in Ukraine, the COVID-19 pandemic, world hunger and climate change or loss of biodiversity, global cooperation is more paramount than ever.

11. To boost food security in particularly vulnerable countries, the possible courses of action open to international organisations, but also private aid organisations, should also be reinforced. At the same time, the far-reaching breakdown of grain exports from Ukraine and Russia renders changes to global food systems even more urgent. These notably include changes to the resource and land consumption of global agriculture, not to mention significant cutbacks in meat consumption and a corresponding reduction in factory farming. Currently in Germany, some 40 percent of arable land is used to produce animal feed, with large quantities of feed being imported on top. As a result, the international land use for German food consumption is similar in scale to the land use in Germany. What's more, in Europe and many other countries across the globe, vast areas are used to farm energy crops. These areas should be freed up for food production moving forward, which is why such EU rules as those stipulating mandatory addition of biofuel, for example, should be changed. At the same time, smallholder structures and domestic food production in the Global South should be scaled up in order



to reduce the import dependency of many former food-exporting countries, thereby strengthening their food sovereignty and security.

12. Progress on health protection in many countries in the Global South, on fighting the COVID-19 pandemic, prevention of further pandemics and thus ultimately on global health is dependent on the transfer of expertise, the structure of patent law and financial support from industrialised countries. Equally, the nations of the Global South need support for adapting to climate change, dealing with the irreversible damage and loss it has caused, and for their transformation towards climate-neutral and low-resource infrastructures and systems. The industrialised countries have committed to funding climate change adaptation measures and climate and biodiversity protection for the Global South in recognition of their historical responsibility for the bulk of the climate-damaging emissions, the depletion of natural resources and the endangering and extinction of species and habitats. In the interests of protecting the global public goods and of the international credibility of the industrialised countries, these commitments must also be met in times of crisis. We therefore call upon the Federal Government to ensure that, unlike in the draft budget for 2022 and the medium-term financial planning, sufficient funds are made available for global health policy (e.g. the Global Fund to Fight AIDS, Tuberculosis and Malaria), international climate and biodiversity protection, global climate adaptation measures and support for sustainable development in the Global South. Moreover, we must also help the worst-affected countries to cope with the consequences of the war, notably the soaring food and fertiliser prices. This is all the more critical since these prices and other impacts of the war are adding to their burden and necessitate both humanitarian aid in the short term and social security systems in the medium term.
13. All in all, we must be resolute in tackling the threats to our planet's equilibrium and any further crossing of planetary boundaries must be avoided for the sake of future generations.

Our plea: Set the seal on a new coexistence with a global pact for the future

The turning point we find ourselves at not only affects the security situation in Europe. It also has formidable impacts on the success of the global 2030 Agenda for Sustainable Development as well as the long-term development prospects of our planet. We now need even more courage to effect the necessary transformation at pace and honour a political spirit of resolve and pragmatism. In terms of security policy, but also with respect to the transformation towards climate neutrality, resilient supply chains and biodiversity protection, we must now



prove that liberal-democratic societies can hold their own in the contest of the systems.

The time has therefore come for consistent action in Germany, Europe and at a global level and for a new kind of coexistence between civil society, politics and the economy. And sustainability is the compass to guide us. The EU should start a dialogue with partners for a new global pact for a sustainable future. The UN Summit of the Future proposed by the UN Secretary-General for 2023 would be just the right setting for such a pact to be born.



About the German Council for Sustainable Development

The German Council for Sustainable Development (RNE) advises the Federal Government on issues of sustainability policy. It acts in this capacity as an independent entity, and since 2001 its members have been appointed every three years by the Federal Government.

The Council consists of 14 public figures, comprising individuals from civil society, the business sector, the scientific community and the political arena. It has been chaired since 2020 by Dr Werner Schnappauf and his deputy, Prof. Dr Imme Scholz. The Council also carries out its own projects aimed at advancing the topic of sustainability in practical terms. In addition, it helps shape topically focused momentum within policy and societal dialogue. The Council is supported in its activities by an administrative office based in Berlin.

Imprint

German Council for Sustainable Development (RNE)
Office c/o Deutsche Gesellschaft für Internationale Zusammenarbeit
(GIZ) GmbH
Potsdamer Platz 10
10785 Berlin
Germany
↳ nachhaltigkeitsrat.de/en