WORKSHOP REPORT

International Workshop

"Cooperation for a Green Transformation"

Duisburg, Germany 28th June 2012

Organised by
the Centre for Global Cooperation Research
and the Desertec Foundation







"Cooperation for a Green Transformation" – Workshop Report

On 28th June 2012, the Käte Hamburger Kolleg / Centre for Global Cooperation Research and the Desertec Foundation hosted the international workshop "Cooperation for a Green Transformation" in Duisburg. The goal of the workshop was to explore needs, strategies and options for an intensified cooperation for low-carbon development in the key areas energy and food production, and understand patterns of how to accelerate the overall transformation to sustainability. In the opening address Prof. Dirk Messner (German Development Institute / Deutsches Institut für Entwicklungspolitik - DIE) laid out the broad themes and challenges of a green transformation. Such a new "Great Transformation" - following the Neolithic Revolution and the Industrial Revolution – challenges the common thinking on wealth creation within the planetary boundaries and the relationship of local, national, regional, and global levels. In contrast to earlier transformations, the green transformation ahead has to be managed and cope with a highly volatile world economy. Prof. Messner pointed out that the difficulties of achieving a global agenda for a green transformation have been exemplified during the United Nations Conference on Sustainable Development (Rio+20) in Rio de Janeiro. Most actors at Rio+20 shared a common understanding of the problem analysis, thereby providing a legitimate foundation for future collective action. Nonetheless, multilateralism not only in Rio illustrated the disadvantages of such processes and the lack of leadership in a "G-Zero World", as Charles Kupchan recently named the contemporary global setting - a view that was broadly shared during the following panel discussions. Hence, Prof. Messner emphasised, the momentum might turn from overarching global agendas to a wide variety of polycentric efforts.

Dr. Knies' (Desertec Foundation) opening address gave an example for such new, innovative approaches turning to the Desertec concept. He stressed the need to move beyond the paradigm of national sovereignty towards an overarching concept of "humankind security". Thus, supranational organisation with sufficient enforcement power should set up long-term strategies for a green transformation. At the same time new thinking and new alliances are crucial for enhancing global cooperation for a green transformation. How such new approaches can be shaped in practice was the theme of the first panel "Low-carbon Energy Solutions: Cooperation between Europe and Africa". The panel brought together perspectives from economics, physics, development policy and the private sector.

Part 1: Key Transformation Areas

Low-carbon energy solutions: Cooperation between Africa and Europe

Prof. Michael Düren (Desertec Foundation, University Gießen) started out with the apparent gap between global population growth and world-wide growing energy demand which poses tremendous challenges for energy production. Solar energy shows great potentials for renewable energies, particularly if it is produced in deserts. Moreover, technological improvements have made solar energy more viable in recent years, e.g. due to the potentials of thermal storage. The main challenge, however, lies in the issue of transporting power from Africa to Europe. Therefore, it is crucial to construct a high-voltage direct current (HVDC) power line connecting MENA to the EU across the Mediterranean Sea. Prof. Düren outlined the potentials of the Desertec initiative not only for low-carbon energy solutions as such, but also for the prospect of cooperation between Europe and the MENA region. Thus, Desertec could provide renewable energy, desalination of water, new jobs, a strong future market, and a framework for peace and development in the broader region. Prof. Düren furthermore stressed the mutual benefits of the Desertec concept in terms of global cooperation moving beyond the power games as they have been played in the field of nuclear energy cooperation. Accordingly, Prof. El Hamaki (Ain Shams University) underlined the potential of renewable energies to become a catalyst for development and regional cooperation in the MENA region. Since the current Desertec initiative is strongly donor-driven, true win-win situations, local ownership in research and development, and local production have yet to be fostered. Responsibilities to achieve those goals lie in the MENA region - in terms of establishing viable local markets, incentives for local production, and local value chains – as well as in Europe – in terms of technical assistance and support of legal, institutional, and technical conditions. Hence, new approaches at several levels are needed to acquire capabilities to manage the transformation, as Dr. Vidican (German Development Institute / Deutsches Institut für Entwicklungspolitik - DIE) pointed out. E.g. cooperation between Europe and the MENA region could learn from policy dialogues as they were set up between China and India by the EU.

The panel agreed that the main challenge for cooperation concerning low-carbon energy solutions does not lie within the technological realm but rather in the political sphere. Dr. Knothe (Flagsol GmbH) emphasised that the lack of political will, in particular concerning the construction of the HVDC power line, poses the major obstacle to the unleashing of already existing industrial potential. Following a sceptical view on the political potential to foster a green transformation uttered by the audience, Prof. El Hamaki concluded that global investors would lead the way towards low-carbon energy solutions. During the following discussion with the workshop participants, the problem of extra costs was confronted. The panel and discussants urged the need for a new thinking on the demand side of the energy market, where awareness and willingness to pay higher costs for renewable energy

still has to be raised. In addition, the discussion revealed that the **possible multiple** and potentially conflicting objectives of the Desertec initiative are not always clearly sketched out: On top of renewable energy production for EU consumers, Desertec should be socially inclusive and contribute to energy security of smallholders in the MENA region, value chain development, and regional cooperation. Prof. Messner summarised that challenges to transform the energy system lie in capabilities and political institutions, fostering co-benefits and managing trade-offs, distributional issues of (global) public goods, financial risk management, and scaling-up issues.

Green food production for a growing world population

The second panel "Green Food Production for a Growing World Population" turned to the role of the agricultural sector within the "nexus" of water, food security, and energy as sketched out by Prof. von Braun (Centre for Development Research / ZEF). The nexus perspective is an integrated approach that takes into consideration the complex interlinkages and trade-offs between these sectors, thereby maximising the overall benefits. Dr. Freibauer (von Thünen Institut / vTI) outlined two different narratives within the discourse on global food security: On the one hand the "productivity narrative" which focuses on growth on the supply side and on the other hand the "sufficiency narrative" which focuses rather on the demand side and aims at conceptually linking supply and demand in global food security. Land use amounts to about 30% of global greenhouse (GHG) gas emissions. Both concerning agricultural production and food processing, the GHG reduction potential is vast. In this context, Dr. Freibauer stressed the need to move beyond the development pathway of quantitative growth and foster regulations accompanied by a knowledge and technology transfer. The panel broadly agreed that the issue of food security could not only be tackled at the supply side, but has to take account the strong need for a change in consumption patterns at the demand side. However, Prof. von Braun criticised the common view that the world rather faces a problem in global food distribution than a supply shortage: In fact, the low agricultural production in developing countries is a major contributor to food shortage. Thus, technological innovation and knowledge transfer have to be fostered - ideally financed by a shift from subsidy budgets to agricultural research budgets. The panel underlined that the agricultural subsidies of the EU are one of the major obstacles to the new global agenda on food production. Mr. Kaiser (Greenpeace) added that the current consumption patterns are reinforced by heavily subsidised products. During the discussions with the workshop participants, the controversial role of biofuels was raised: In many cases, biofuel production has increased competition for land and greatly contributed to deforestation, e.g. concerning palm oil plantations in Indonesia. Therefore, the trade-offs of biofuel production need to be comprehensively analysed. More generally, Mr. Kaiser stressed the critical role of multinational firms in

(un)sustainable global food production which was sustained by the "governance failure" of governments. This view was not shared by all panelists. Prof. von Braun pointed out that the role of multinational firms in monopolising seed material had diminished due to the rise of the BRICs and their growing role in world food production. Dr. Knies added that that sustainability already serves as an overarching principle for many businesses, as shown by the rising corporate social responsibility (CSR) initiatives.

In line with the conclusions of the first panel, the second panel also urged the need for better management of the transformation by revised governance structures. Prof. Joachim von Braun emphasised that the **highly fragmented global food governance** is a major barrier to cooperation on food production. Hence, a truly independent central global organisation is necessary, reversing the process of the decentralisation of the Food and Agricultural Organisation (FAO). Moreover, such a new institutional setting had to be accompanied by a stable system providing budget to react to food shortages. Finally, the World Food Program (WFP) should be enabled to balance the dynamics of the world food markets to avoid hunger crises.

What are the building blocks and key obstacles for the cooperation on green food production? Prompted by a question from the audience, Dr. Freibauer and Mr. Kaiser agreed on the potentially pivotal role the EU could play in global cooperation with regard to food production. Dr. Freibauer underlined the potential of a coherent EU approach based on high expertise in scientific bodies backed by a strong role of research and innovation. Mr. Kaiser emphasised that France and Germany need to overcome their resistance to the reform of the current system of agricultural subsidies as a first step towards a coherent position and a global leadership role beyond protectionist thinking. Interventions from the participants shed light on the role of Africa in shaping the green transformation: Since countries in Sub-Saharan Africa have, on average, the lowest agricultural production at the moment, this is where the largest efficiency gains are possible. Given that a large part of agriculture in sub-Saharan Africa is small-scale, it is crucial to address smallholder production processes in the transformation to sustainability.

Summing up, Dr. Thalwitz (Oxford University / German Development Institute / Deutsches Institut für Entwicklungspolitik - DIE) asked whether it was possible at all to base a comprehensive approach for a green transformation on current (governance) structures, particularly as the traditional understanding of productivity no longer serves the pressing global challenges and highly complex structures. Interdisciplinary research on land use in the context of water, food security and energy needs to contribute to a better understanding of options to govern the trade-offs and complex interrelations of this sector.

Part 2: Managing the Transformation

Envisioning the global green transformation

Panel three "Envisioning the Global green transformation" aimed to discuss the challenges for global cooperation regarding the management of the Great Transformation ahead. The **conditions and processes which enable societal transformation to sustainability** were outlined by Prof. Grin (University of Amsterdam). He stressed that although solutions for a green transformation were available, they were not implemented as they were facing resistance at different societal and political levels. Both levels were still shaped according to the conditions of early modernity and hardly fitted the contemporary challenges. Prof. Leggewie framed this issue from a Gramscian perspective: Thus, we observe a process were the old world is fading and a new world has still to be established. At the same time the old world still exerts its (discourse) power on current societal and political processes.

How to accelerate transformation processes? Prof. Grin offered a process of iterative small steps implementing "promising practices" at the small scale that would bring about a global transformation at the large scale eventually. Co-evolutionary processes, i.e. unsynchronised actions in different sectors and levels of organisation ultimately contribute to shifting societal norms and economic practices towards sustainability. Prof. Grin stressed that for the transformation to sustainability, a reorientation of societal norms is a major necessity. For example, markets are shaped by normative decisions on incentive structures. Reacting to an intervention from the audience, all discussants agreed that civil society plays a crucial role in managing the transformation to sustainability. However, Prof. Grin reminded the participants that the cooperation with the public sphere is crucial for "getting things done".

The issue of the selection of "promising practices" and their implementation was one major point of discussion with the participants. From Grins' perspective the "pivotal players" and "change agents" — a motive that occurred during the discussion of all three panels — would initiate the transformation by addressing the demands of society. Dr. Knies and Prof. Leggewie stressed that the Desertec initiative could serve as such a "pivotal player" and a model for cooperation and regional industrialisation beyond the paradigm of national sovereignty in other regions as well. Prof. Leggewie furthermore discussed the role of Desertec and the cooperation between the EU and the MENA region with a view to the overall role of sub-global alliances. Thus, the Desertec initiative should be thought as a cooperative and inclusive scheme with real mutual benefits. He stressed that a revitalisation of a broad "Peace and Development Project" for the Mediterranean based on common (inter-)regional problems should be fostered. However, Prof. El Hamaki added that despite this promising vision, the conflicting interests within the EU dampened the prospects for interregional cooperation.

In conclusion Prof. Messner stressed the need to enhance our understanding of the co-evolution and connectivity of transformation processes. He drew a line from previous processes by which markets became embedded firstly into democracies and secondly into welfare systems to the envisaged green transformation. Just like markets had been embedded in a normative context in previous times, the concept of sustainability now needs to become their guiding principle. Normative questions were key in these transformation processes as they will be in the future when distributional questions have to be answered. Closing the workshop, Prof. Messner stressed that in different sectors and countries, the transformation to low-carbon societies is already under way and that polycentric efforts are needed to enhance and accelerate cooperation. The Käte Hamburger Kolleg / Centre for Global Cooperation Research will continue to actively contribute to this discussion in the future.

By Max Lesch (Käte Hamburger Kolleg / Centre for Global Cooperation Research) and Hannes Hotz (German Development Institute / Deutsches Institut für Entwicklungspolitik – DIE), 6th July 2012

Organisers



Käte Hamburger Kolleg / Centre for Global Cooperation Research

Schifferstr. 196 • 47059 Duisburg • Germany

www.gcr21.org

The Centre for Global Cooperation Research is a central research institute of the University of Duisburg-Essen. It is the youngest and the last Käte Hamburger Kolleg supported by the Federal Ministry of Education and Research. The Centre focuses on the chances for global cooperation in the 21st century. Interdisciplinary research fellows from all regions of the world examine the opportunities and challenges of global cooperation amidst political-cultural difference in the world society. The Centre's work is organised in four research units: the (im)possibility of cooperation (Unit 1), global conflicts of culture and transcultural cooperation (Unit 2), global governance revisited (Unit 3), and paradoxes and perspectives of democratisation (Unit 4). The Centre offers a setting for joint learning among international research fellows and seeks a close dialogue with policy-makers, diplomats and representatives of civil society.

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