

The 2025 German Federal Election

The heat is on: climate policy must not simmer on the back burner

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Bonn, 19 February 2025. Ahead of Germany's snap elections in February, electioneering is dominated by migration policy and economic concerns. Climate policy, a defining issue of the previous federal election in 2021, has been relegated, if not completely ignored, across parties' campaign platforms. This does not bode well for meeting Germany's responsibilities in global climate governance and, indeed, international climate finance. Yet, giving short shrift to climate policy and pertinent international commitments would be a grave mistake for any incoming coalition government, irrespective of divergent party preferences and ideological predispositions.

Climate policy is no issue for the back burner. For better or worse, it will be a key ingredient of any agenda

the incoming government is to pursue. While negotiating a new government coalition and getting it organised across ministerial portfolios will invariably be dominated by domestic priorities and distributional contestation over an already constrained federal budget, ignoring domestic and, indeed, international climate policy requirements would amount to self-defeating navel-gazing. How so?

For starters, an exclusive focus on domestic concerns – like energy security or sustaining jobs in the industrial sector – overlooks the perspectives and potentials of Germany's, and for that matter Europe's, global partners. For them, climate finance is not about charity. It is about shared economic opportunity and the credibility of Germany and the European Union (EU) as dependable international partners. Hence, an inward-looking approach that discards international climate cooperation as a lofty and ultimately dispensable exercise in international solidarity is not just ethically problematic but strategically short-sighted. Not only would it shatter the basis of multilateral cooperation and undermine the objectives of the Paris Agreement, but it would risk driving erstwhile international partners, indeed indispensable allies, into the arms of geopolitical competitors.

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Germany's and the EU's continued commitment to international climate finance is the most straightforward approach in this context. Mobilising adequate financial resources to honour international commitments is not merely a moral obligation but a down payment on Germany's future prosperity and security. If Germany fails to invest in supporting green transitions and climate resilience abroad, it risks being side-lined in the very markets that will drive global growth and ensure economic resilience in the coming decades. Emerging economies are rapidly scaling up renewable energy, green infrastructure and technology adoption. These markets represent the future of trade, investment and innovation. Countries that invest now, through climate finance and in corresponding partnerships, will help to shape these markets and benefit from their growth in the medium and long-term.

Conversely, many partner nations view green transitions as a chance to innovate, grow and sustainably

develop their economies as well as to enhance their resilience in view of geopolitical turbulence and increasing climate change impacts. It is overdue for Germany to recognise that climate finance is already shaping the geopolitical landscape. Initiatives like China's Belt and Road and the EU's Global Gateway hinge on financing sustainable infrastructure and energy systems worldwide. These programs are not charity but competing strategic efforts to expand geopolitical influence and to secure access to future markets and, indeed, resources and corresponding supply chains. If Germany were to scale back its pertinent commitments, it would have less of a say in the EU and risk losing ground in a vital global competition. Ultimately, it would be putting its own national interests at stake.

Moreover, defaulting on international climate commitments risks compounding the impacts of climate-induced disasters, including losses and damages, which would in turn further advance instability and crises around the globe. Notwithstanding ethical considerations, Germany and Europe would invariably have to grapple with the consequences thereof: insecure supply chains, increasing costs for economic transactions and crisis-related interventions, even a proliferation of people that will find themselves displaced by escalating conflicts, economic deprivation and uninhabitable environmental conditions. All of this would only play in the hands of the very forces for whom disruption and chaos have become deliberate business models. It would in effect be undermining the prospects to sustain prosperity and peace in Germany and Europe, which arguably would be the opposite of serving the national interest.

In contrast, the incoming government will be well advised to reboot and even reframe the debate over Germany's climate policy. Indeed, it should embrace and harness international climate finance as a strategic tool that is instrumental to assume international leadership and thereby safeguard Germany's economic and geopolitical future. Following the upcoming elections, Germany faces a choice to back out of its global responsibility or to rise to the challenge of global climate leadership – for its own good and for the greater good of a more just, stable and prosperous world to be situated in.