

FOR PUBLIC USE**EVENT SUMMARY:****COP26 Business Roundtable:****Beyond COP26: Transatlantic climate cooperation during the German G7
Presidency in 2022****4 November 2021, COP26**

At COP26 in Glasgow, transatlantic business leaders and policymakers discussed the priorities for and prospects of the upcoming German G7 presidency 2022. This hybrid event – held both virtually and in-person in Glasgow – was organized as part of the Transatlantic Climate Bridge initiative of the German Ministry for the Environment and the Federal Foreign Office and a collaboration by adelphi, Stiftung 2°, and We Mean Business Coalition. It was an invitation-only event hosted under the Chatham House rule.

A transatlantic engine for decarbonization

By joining forces, government and private sector representatives can serve as a transatlantic engine for decarbonization in the G7 countries and beyond. As the discussion revealed, governments need to take an active role in enabling decarbonization in the private sector. Participants emphasized the need to expand renewable energy capacity to both decarbonize the electricity sector and meet the needs of an increasingly electric economy, as well as the need to harmonize product norms and standards on both sides of the Atlantic in order to enable a more climate-friendly trade regime.

Setting up an enabling environment for business leaderships: Incentives and pricing

Decarbonizing heavy industry also took center stage, as participants underlined how important it was to incentivize the deployment of carbon capture utilization and storage (CCUS) and to support the use of hydrogen to cut emissions in hard-to-abate sectors. Governments also have a role to play in implementing carbon pricing to bring about these necessary reductions; pricing should be accompanied by mechanisms to prevent carbon leakage and level the playing field between high- and low-carbon producers, such as border carbon measures. Other levers for comprehensive mitigation activities mentioned were the need to end fossil fuel subsidies, establish electric vehicle (EVs) infrastructure and to foster green procurement.

Shaping an ambitious G7 agenda: old friends and new kids on the block

Beyond mitigation efforts, transitioning workers was also a central topic. Participants discussed providing education and training for the new workforce needed for a low-carbon economy. Moreover, the nature-based solutions as well as adaptation and resilience were considered as areas where increased G7 action is required and where more input from business would be beneficial. Participants also explored opportunities for international climate cooperation. Creating a global carbon price as well as forming a group of countries to facilitate trade of low carbon products between them were discussed as options for the G7 to promote international collaboration and create a level playing field. Though some of the above-mentioned topics are already on the G7's radar in some form, they still need a boost to receive the attention they require as critical elements for the green transition.

Towards an enduring transatlantic business dialogue

The objective of the roundtable was to gather business and government perspectives on an agenda for Germany's upcoming G7 presidency. The transatlantic nature of many of the event's participants spoke to the importance of an infrastructure to convene climate stakeholders in Europe and North America. Further discussion on these topics will be critical to set a strong climate agenda for the G7 and to deliver the necessary climate results in 2022 under Germany's leadership. Together, Adelphi, Stiftung 2° and We Mean Business Coalition will continue to build a network of progressive companies to serve as a partner for governments on both sides of the Atlantic by identifying solutions that work for and with the real economy. More business roundtables will follow. Stay tuned.