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Policy Brief

Implications of the 2020 US
Presidential Election on the EU and
Czech Climate Policy

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Introduction

More than anything, 2020 will be remembered for fighting against the world-wide Covid-19 pandemic which has reshaped all of our societies in dramatic ways. Once again, it has highlighted a latent conflict between nation-states and sovereignty, real or perceived, on one hand, and international, if not supranational, cooperation and multilateralism on the other. The crisis exacerbated existing conflicts between nationalists and national conservatives, prominently predisposed towards isolationism, exemplified most acutely in Trump's America First agenda, and progressives and liberals on the other deepening arguing for integration, strengthening multilateralism, and international cooperation to tackle global crises. The US elections became emblematic of this wider, more fundamental struggle, as well as the societal polarization that, to varying degrees, haunts the rest of the developed world. Yet, with a Trump soundly rejected in a landslide election loss, one can wonder whether his loss portends similar rejections of populism and national conservatism across the globe.

2020 US presidential election unprecedented, fevered, divisive, and emotional for various reasons. Firstly, the Republican ticket of incumbent President Donald Trump and Vice President Mike Pence was defeated. Secondly, Joe Biden obtained the largest share of the people's vote against his opponent and the highest turnout in the last one hundred years was reached in this year's election, despite the ongoing coronavirus pandemic, referring to an increased concern about future direction of the US. And lastly, as Biden won the election with flying colours, the whole world is now contemplating what will change. Not only on the domestic level, but also the international one.

One of the areas which will very likely undergo transformation under the Biden administration is climate policy. Climate change is a global challenge requiring decisive and immediate action from every country around the world. Nevertheless, during the Trump administration, climate change has been substantially downplayed or even denied by the United States, its climate policy has contrasted

starkly with that of much of the rest of the world. Moreover, Trump's denial of climate change resulted in US withdrawal from the historic 2015 Paris Climate Agreement, further isolating the US in this matter.

On the other hand, President-Elect Biden's approach towards climate policy has been described as the most ambitious and progressive of any mainstream US presidential candidate yet. In order to tackle climate change, Biden plans to re-join The Paris Agreement as soon as he takes the oath of office as president in January 2021, as well as he plans to marshal a historic investment of 2 trillion dollars in energy efficiency and low-carbon economy This and further steps of his will significantly impact climate policies of many of the US' partners, including the European Union. In other words, Joe Biden intends to build a more resilient and sustainable economy, which will firstly need to go through substantial transition, decarbonization and innovation in many related areas. This goal could be achieved only as far as other partners of the US cooperate alongside.

Converging climate plans

The moment it became apparent that Joe Biden would win the election, the European Commission President Ursula von der Leyen declared that the EU is prepared for intensified cooperation on common challenges such as tackling climate change with the new administration. Addressing and mitigating climate change is going to be one of the top priority areas of the future EU-US relations, according to leaders of both sides. On that account, the new American leadership signifies a fresh start for Transatlantic partnership, not merely as far as climate matters are concerned.

Biden's election programme and particularly its climate agenda give great reason to European countries to hope for a brisk start of new era of Transatlantic cooperation. The "Biden Plan for a Clean Energy Revolution and Environmental Justice" resembles the European Green Deal in various points. Firstly and most importantly, the European climate plan aims to make the EU's economy sustainable and to entirely cut greenhouse



gases emissions by 2050. The same applies for Biden's plan, which endeavours to ensure that the US achieves clean energy economy and accomplishes net-zero emissions until 2050. In this regard, it is obvious that the two blocs are driven by parallel intents. Furthermore, Biden projects to establish an enforcement mechanism that will include milestone targets no later than the end of his term in 2025.

Another meeting point is reduction of carbon dioxide emissions produced by automotive industry. In the EU, cars are responsible for up to 12 per cent of total emissions of CO2, and for that reason a new regulation was adopted on the EU level setting mandatory emission reduction targets. Regulation (EU) 2019/631 introduces CO2 performance standards for new cars and vans for 2025 and 2030. The low emission thresholds are to stimulate higher production of electric and hybrid cars. Biden's climate plan similarly sets bold average fuel economy standards for cars and lightduty vehicles, proposes increased spending on public transport and investing in electric vehicle manufacturing. Investing in transportation infrastructure, Biden's plan also aims to create new job opportunities in industries supporting vehicle electrification.

It might seem that the US and the EU are finally on the same wavelength as their climate plans seem fairly similar. Nevertheless, it needs to be noted that despite those areas of convergence, there are also fundamental differences between Europe and the US when it comes to climate and energy policy, which will be difficult to ignore. A clash may occur, for instance, in so far as the green taxonomy is concerned. In the EU, a classification system for sustainable economic activities is already in place, nevertheless it constitutes a great challenge to some member states as their interpretations of what is considered sustainable, renewable (i.e. when transition fuels are concerned) and "green" still vary. Moreover, similarly as the EU's General Data Regulation of 2018, which brought about an extensive global effect on websites, the effects of taxonomy are to emerge across the Atlantic as well. Since both sides agreed to the same ambitious climate goals, they ought to cooperate particularly

on clarifying and consolidating of their positions towards addressing their common environmental objectives.

Another key point to remember is that despite the fact that the Biden presidency opens up the chance to officially start negotiations regarding Transatlantic emissions trading scheme, it is not clear yet whether Biden will be able to adopt necessary measures for implementing a carbon tax. By way of contrast, the <u>EU carbon tax</u> which is one of the highlights of the Green Deal should be introduced at the bloe's borders by 2022.

Furthermore, one cannot overlook the fact that under the Trump administration, the US abolished a total of 125 environmental laws and undermined the Transatlantic cooperation on climate matters. Therefore, creating a new climate plan suitable for current global climate situation and subsequently, and most importantly, enforcing its regulations will not only take a lot of time, but also many efforts to make some of rather resilient partners to come along so that the result of common climate policies is sufficiently ambitious. On the whole, to push through the ambitious climate plan Biden will need the support of the US Congress, which could be difficult if the Republicans majority in the Senate persists after the two run-off senate elections in Georgia.

Implications of Biden's presidency for Czechia

Czech Republic, one of the most industrialised countries in Europe, might potentially be a resistant partner in Europe for Biden. Climate change has often been perceived as a divisive issue among the Czech society. Symptomatically and unfortunately, climate agenda has never been the top priority for Czech politicians either. The country is still very much dependent on <u>nuclear energy and coal</u>; therefore, the leadership did not consider following the European institutions' sophisticated climate plans as convenient, until now.

Although the Czech Republic announced much less ambitious plans for dealing with climate change



compared to other members of the EU, PM Andrei Babiš recently called on the EU long-term budget to fall in line with the European Green Deal. According to the Statement of Czech government from this May, it is evident that the country continues to support the EU's long-term target of achieving climate neutrality by 2050, despite the fact that it encourages rather moderate approach towards fulfilment of Union's climate goals, especially due to the current world-wide crisis. Czech Ministry of Industry and Trade even described the Green Deal as "a complicated challenge for the whole EU, [...] a potential threat in terms of global competitiveness for industrialized countries" and pointed out that it cannot consent to the radical increase in climate-energy goals until 2030 to 50 or even 55 per cent. Regrettably, the Czech Ministry ignored the various supporting initiatives such as the Carbon Border Adjustment Mechanism and its impact competitiveness by leveraging the power of the single market in its equation. Furthermore, the assessment did not adequately factor in the various support schemes under the European Green Deal European Investment Bank's changed investment paradigm.

As could be noted, the Czech leadership is endorsing a rather gradual transition to new technologies and energy mix on the reasoning that the current economic pandemic-driven crisis necessitates it, despite green investments yielding a higher return on investment both short- and longterm. On the ground of this gradual approach, the Czech Coal Commission recently recommended the Czech Republic should phase out coal by 2038 – a year which would be among the later target dates in Europe as part of its endeavours to cut carbon emissions. Although Germany agreed to the same deadline, it committed to switch into renewables in the future alongside other Western EU countries, whereas Czechia plans to stick with nuclear power. And since this source is not considered as a renewable option under the European Green Deal, it would leave Czechia out of numerous funding opportunities and therefore would simultaneously signify economic instability and sizable risks for the country. Furthermore, despite the fact that representatives of various Czech environmental groups supported an earlier deadline of 2033 for withdrawal from coal energy, further criticizing lack of transparency in future steps aiming to fulfil the later date, 2038 is perceived as a compromise in the Czech context. In the European context, on the other hand, it is considered as faltering attitude towards the European climate targets.

With this in mind, fundamental question remains on whether Biden will approach the Central and Eastern Europe similarly as the previous Obama's administrations or not. Many political scientists suppose that it is very much likely that countries of the CEE will be rather restrained by the new administration, whose focus will likely revert to more influential and constructive European partners. coming years will The be defined decarbonisation and the post-pandemic recovery, areas in which CEE countries have little to no advantages compared to more progressive European partners. Furthermore, the CEE countries' penchant for obstruction, exemplified in Hungary and Poland's jeopardizing of the vital European budget and pandemic recovery, further incentivizes Biden to cooperate with Western and Northern Europe in lieu of problematic CEE countries.

One cannot be surprised – the CEE countries, and particularly the Visegrad group countries, have, for good reasons, acquired an infamous reputation within the Union for a couple of years now. For instance, it was at the European Council meeting in June 2019 when Czech representatives, together with companions from Estonia, Hungary and Poland, refused to sign on to a long-term target of achieving climate neutrality by 2050, arguing they are not ready for such a quick transition. To put it another way, the current climate policies of aforementioned countries significantly lack any reliability and credibility in the EU and globally as their governments constantly tend to put vested interests first. The whole global green transition and decarbonization processes are then being delayed owning to unconstructive approaches of particular members. Future generations risk carrying the burden of the current generations' lack of ambitions, both environmentally and financially.





Conclusion

All things considered, it seems reasonable to argue that with the new administration being in the White House from January 2021, many reckon that things are going to change fundamentally on the domestic US level as well on the international playing field. On the whole, it is expected that Biden will bring more stability into international relations as the US president since he plans to leave the unilateralist approach of his predecessor and re-join many of the global alliances, further aiming to put emphasis on the Western democratic values and restoring environmental protections. However, this year has been all about substantial changes, rapid and unexpected ones. The Covid-19 pandemic, which caught national states unprepared for a crisis of this magnitude, alone reminded us that cooperation matters more than ever before. Moreover, as climate change impacts are looming significantly, there has not been a better time to react. And to cooperate. Immediately.





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EUROPEUM Institute for European Policy is a non-profit, non-partisan, and independent think-tank focusing on European integration and cohesion. EUROPEUM contributes to democracy, security, stability, freedom, and solidarity across Europe as well as to active engagement of the Czech Republic in the European Union. EUROPEUM undertakes original research, organizes public events and educational activities, and formulates new ideas and recommendations to improve European and Czech policy making.

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