CLIMATE Strategies

Annual Report

2021

climatestrategies.org

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Foreword

It is our great pleasure to present the 2021 Annual Report. For the first time the Report is a public document, showcasing our research and work with policymakers.

Across the board, 2021 has been a terrific year for Climate Strategies. Our project portfolio has grown and become ever more impactful. Examples include a pioneering project on fossil fuel transitions in the North Sea and Russia, Just Transition in the Global South, CCUS in industrial clusters, global climate finance, and complexity energy modelling. Each has a fine combination of partners, research excellence, policy impact, and media attention.

Climate Strategies' success is, as ever, a function of an engaged membership working hand in glove with a dedicated secretariat. The latter has grown to eight members, across our offices in London and The Hague. We are proud that both the membership and secretariat are increasingly representative of the world we are working to defend.

The Covid-19 pandemic and COP26 have re-confirmed (if confirmation was required) the importance of urgently tackling the global climate crisis. Climate Strategies has always promoted solutions with the engagement of all interested stakeholders. Our approach of *enabling researchers to place impact at the heart of their research work in order to catalyse climate action through the provision of robust evidence into decision making* is more needed than ever.

We are inviting all of you to join our initiatives and actively propose new challenging topics, where research-based intervention can make a difference.

Navraj Singh Ghaleigh, Chair of the Board

Andrzej Błachowicz, Managing Director

What we do

Climate Strategies works at the science-policy interface, advancing climate policy through meaningful interactions between decision-makers and researchers across Europe and internationally. We are an international, not-for-profit research network with an expansive network of world-leading researchers as members.

1

INSPIRE
We incubate cutting-edge ideas and develop innovative climate policy research proposals.

2

ENGAGE
We are experts in facilitating productive dialogue among researchers, climate policy makers and other stakeholders.

3

CONVENE
We initiate and organise a variety of multi-disciplinary events, bringing people together to contribute to and disseminate research.

4

TRANSLATE
We publish climate policy research in accessible formats, to ensure research is inclusive, has the largest reach and can influence positive change on all levels.

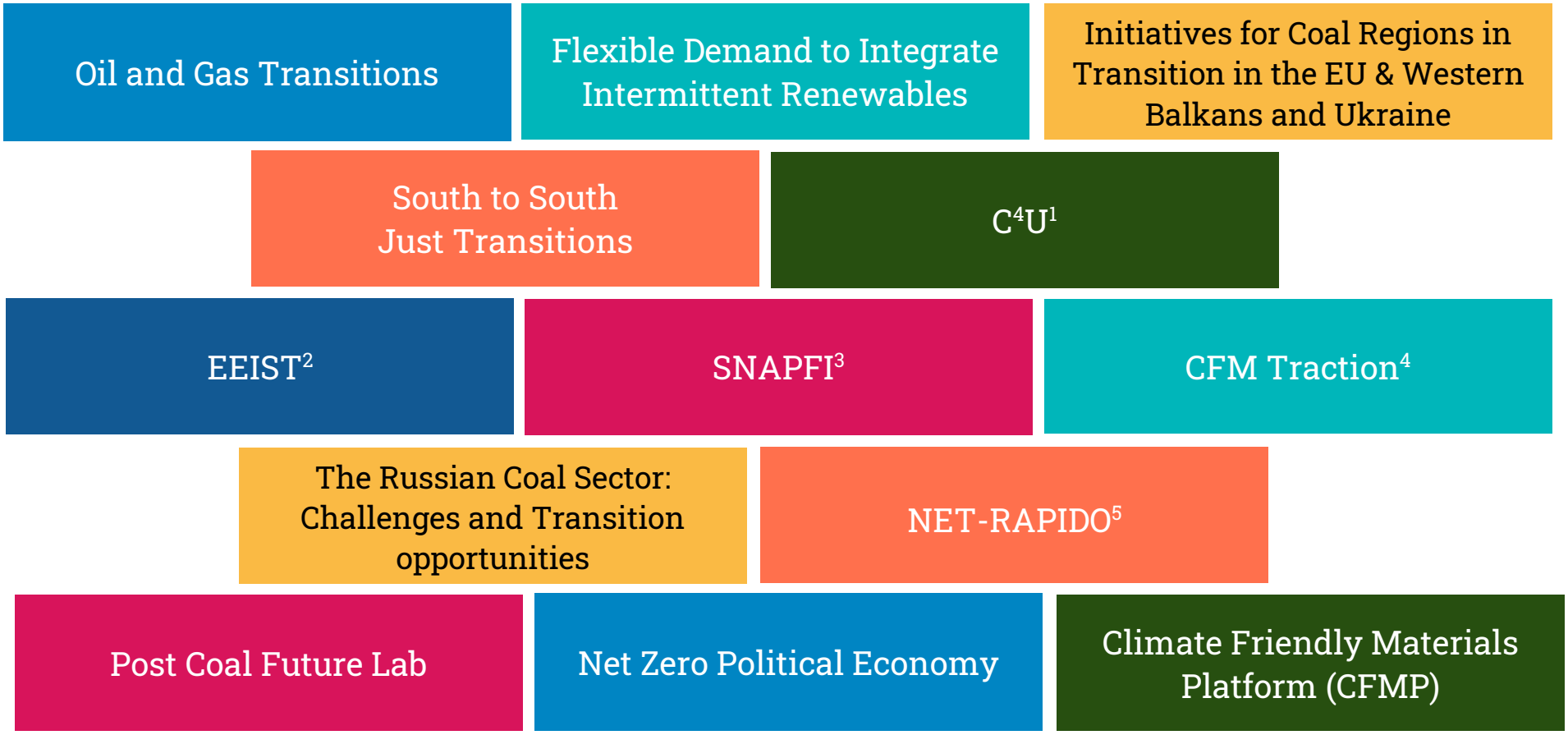
Our Vision

We strive for a just and sustainable future, where climate policy is driven by well-informed and evidence-based decision making.

Our Mission

Climate Strategies enables its members and other researchers to place impact at the heart of their research work in order to catalyse climate action through the provision of robust evidence into decision making.

Our projects in 2021



1 Advanced Carbon Capture for steel industries integrated in CCUS Clusters
2 Economics of Energy Innovation and Systems Transition Project
3 Strengthening National Climate Policy Implementation: Comparative Empirical Learning & Creating Linkages to Climate Finance
4 Climate Friendly MaTeRials mArket CreaTIon through pOlicy iNnovation
5 Negative Emission Technologies: Readiness Assessment, Policy Instrument Design, Options for Governance and Dialogue

2021 in Review

January and February

11 January European Dialogue: The Policy Toolkit for Net-Zero Industrial Innovation

In this interactive dialogue, stakeholders from the private, public, academic, civil society and finance sectors came together for an interactive dialogue on the policy toolkit to transform the basic materials sector to climate neutrality, with a focus on the climate contribution and carbon contracts for difference in Germany and Poland.

Subscribe

February Launch of regular Climate Strategies newsletter

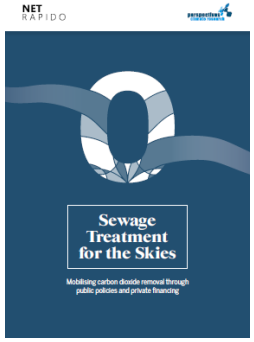
As we strengthened our communications capacity, we launched a more regular edition of the Climate Strategies newsletter. It lands in your inbox every two months, in addition to member-exclusive updates about our work.

January Oil and Gas Transitions (OGT): Co-creating evidence to accelerate policy action in the North Sea

2021 saw the launch of our new OGT programme which aims to co-produce evidence and just transition pathways for the oil and gas sector in the North Sea, particularly in Denmark, Norway and the UK. OGT is co-led by Climate Strategies and the Stockholm Environment Institute (SEI), and implemented alongside the University of Edinburgh (UK/Scotland), the University of Oslo (Norway), and Aalborg University (Denmark).

2021 in Review

March

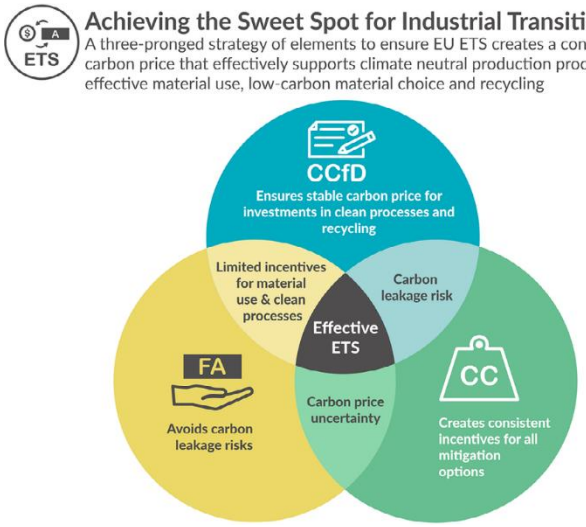


17 March Sewage Treatment for the Skies: Mobilising Carbon Dioxide Removal through Public Policies and Private Financing

This report and corresponding policy brief offer practical insights for experts and decisionmakers on how to facilitate scaling-up of Carbon Dioxide Removal (CDR) and carbon markets for CDR through public policies and finance.

26 March First EEIST UK Community of Practice Meeting

Climate Strategies performed in our role as a trusted neutral convenor within the EEIST consortium to successfully chair the first cross UK Government department meeting on the EEIST Risk Opportunity Analysis (ROA) Framework. Attendees covered a wide range of departments including DfT, BEIS, FCDO, CCC, OFGEM and the Bank of England.



19 March Achieving the sweet spot for industrial transition

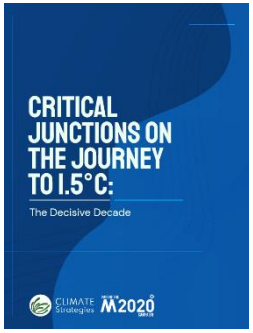
By analysing the synergies between policies, researchers from the Climate-Friendly Materials Platform (CFMP) developed designs for a policy package that creates clear and stable incentives for EU industry to tackle climate change, whilst keeping competitiveness in global markets. We helped communicate the package by developing a series of visual explainers.

March A new look and website for Climate Strategies

In a first major step to revamp the communications approach of Climate Strategies, we launched a new look and feel alongside a new website. The new brand and website will make it easier to reach key audiences, especially across digital channels.

2021 in Review

April



13 April Mission 2020 report sets six big climate action changes needed before 2030

This report was commissioned by Mission 2020 campaign to help chart the path forward in the Decisive Decade. It identifies six Sensitive Interventions Points (SIPs) crucial to keep us on track to meet Paris Agreement targets: 1) energy, 2) transport, 3) natural carbon sinks, 4) food, 5) industry and 6) human settlements. In addition, four levers to scale up systemic changes are identified, including: policy, finance, leadership and collaboration.

20 April Member webinar: The twin crises: Enhancing nature at COP26

In the build up to COP26, we organised this informal session exclusively for Climate Strategies members. It was as a creative exchange of ideas on the role of nature in climate action and offered a space for candid a candid discussion with other climate policy experts.

26-29 April Coal regions in transition virtual week

The Coal regions in transition virtual week, as part of the Just Transition Platform meeting, featured several thematic sessions that address various transition challenges and investment opportunities for coal carbon and fossil fuel-intensive regions. Download presentations and more materials.

2021 in Review

May

May Visions for the future of the Russian coal industry in light of the global decarbonisation trend

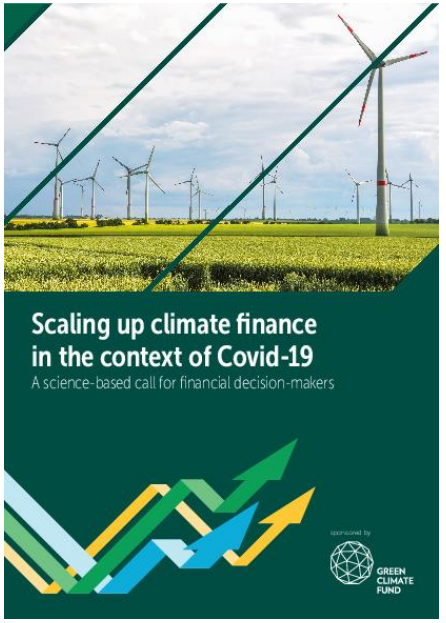
This policy brief presents two visions for the Russian coal industry. They illustrate the main approaches to the collision course between Russian coal mining and the global low-carbon trend. Russia's coal course is likely to continue for the next decades. However, a domestic debate on a coal phase-out and measures to economically diversify affected regions could avoid adverse long-term social and economic consequences.

26 May A just transition for all. Dialogue with developing countries

This interactive dialogue brought together the experiences of our research partners in Ghana, Indonesia and Colombia as they explore what a just transition can look like in their unique national contexts. A panel discussion with global experts reflected on the research findings.

27 May Green Climate Fund report on aligning finance with sustainable development and Green Recovery

This report explores how global finance can be aligned with sustainable development in order to achieve the goals of the Paris Agreement and deliver a COVID-19 economic recovery. The GCF launched the report as part of the 2021 P4G Seoul Summit. It was a collaboration between the GCF, IPCC authors, the Indian Institute for Human Settlements and Climate Strategies.



2021 in Review

June

7 June Workshop on designing a carbon border adjustment mechanism (CBAM) for an inclusive transition to climate neutrality

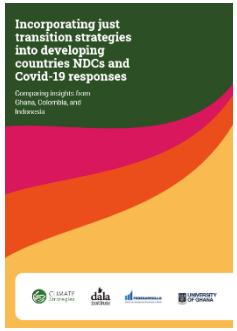
During the closed-door workshop, the CFMP proposal for a design of the carbon border adjustment mechanism for an inclusive transition to climate neutrality was presented to stakeholders from policy and industry across the EU. The event was concluded with a discussion and Q&A session.

23-24 June First annual meeting of the Initiative for coal regions in transition in the Western Balkans and Ukraine

The Initiative for coal regions in transition in the Western Balkans and Ukraine invited all interested stakeholders to join its annual meeting. The aim of the event was to support open, multi-stakeholder dialogue on coal phase out and just transition towards sustainable energy sources in Bosnia and Herzegovina, Kosovo, Montenegro, North Macedonia, Serbia, and Ukraine.

2021 in Review

July



7 July Incorporating just transition strategies into developing countries NDCs and Covid-19 responses. Comparing insights from Ghana, Colombia, and Indonesia

This report compares the experiences of implementing a just transition in Ghana, Colombia and Indonesia. One of the major conclusions was that each country needs to define their own approach to a just transition and that local knowledge and expertise provided by in-country research partners is essential to move the transition forwards.

July C⁴U at the UCL Summer School

Climate Strategies produced a video in collaboration with UCL addressed at pupils interested in chemical engineering.

In the video, Richard Porter and Elena Catalanotti from UCL present the C⁴U project to students as part of the 2021 UCL Summer School.

13 July New studies explore how climate finance can accelerate national climate action

The second round of SNAPFI reports focused on various aspects of links between international climate finance and domestic climate policy in South Africa, India, Indonesia, Brazil and the European Union. The international study analysed how international partners can help increase financial flows low-carbon and climate-resilient development in emerging economies.

2021 in Review

August

10 August **Report summarises CCUS learnings from the UK**

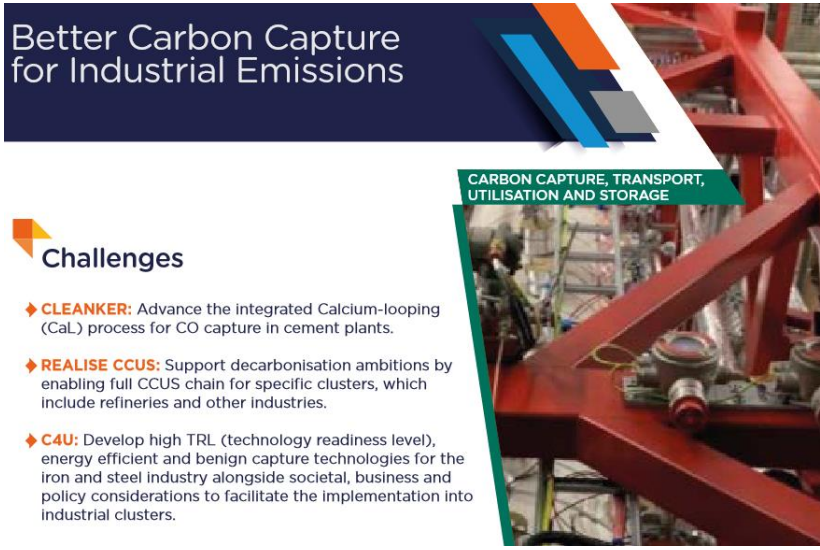
This C4U report outlines the current progress of CCUS cluster projects in the UK and the latest updates from the UK Government on mechanisms to provide ongoing support to CCUS projects – referred to in the UK as "CCUS Business Models".

August **Launch of coal regions exchange programme**

The coal region-to-region exchange programme is an opportunity for regions from the EU, Western Balkans and Ukraine to start direct, one-to-one dialogues, connect with different stakeholders, learn from each other and transfer knowledge. The possibility to explore peers' experiences and reflect about own challenges and developments will help to accelerate coal regions' clean energy transition.

August to September **Disseminating materials on decarbonising industry using CCUS**

C4U has joined forces with the CLEANKER and REALISE projects (H2020 sister projects) via the Horizon Results Booster (HRB). As part of the HRB activities, a flyer and video has been produced discussing the importance of CCUS across the steel, refineries and cement industries.



2021 in Review

September

13-14 September **First EEIST Consortium Conference**

The first virtual meeting of the EEIST consortium partners, which brought together world leading experts in complexity economics, systems thinking, and energy policy experts in China, Brazil, India, the UK, and EU. Climate Strategies facilitated interactive sessions on the big policy issues that EEIST research can help address, the challenges and opportunities to addressing these issues within the 5 EEIST jurisdictions and EEIST stakeholder engagement.

29 September **An African Just Transition: Insights from Ghana, Malawi and Kenya**

As part of the UNFCCC Africa Climate Week, our African research institution partners from Ghana, Malawi and Kenya came together to discuss what a just transition could look like in the African context. The event was moderated by Climate Strategies member Chipo Mukonza, and featured perspectives from Gareth Phillips from the African Development Bank and Kusum Lata from the UNFCCC Secretariat.

22 September **NET-Rapido Workshop: Establishing NETs in broader climate change mitigation policy**

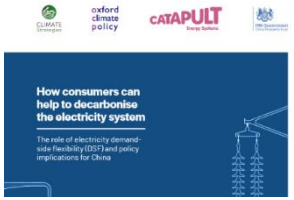
NET-Rapido consortium members opened the workshop with a series of presentations, followed by facilitated breakout rooms and a final open discussion. Topics discussed included, NET governance, interactions between NETs, and the prioritisation of NET approaches as well as novel developments. The event attracted 44 stakeholders in the NETs sphere.

2021 in Review

October

11 October Report finds that a just coal transition in Russia should consist of three key elements

This insights report finds that Russia could benefit from a managed coal transition. The Russian coal sector is increasingly dependent on the future of coal exports to Asia. With a declining coal demand in the next 10-20 years, sudden and abrupt changes to Russia's coal production are likely to entail high social and economic, and perhaps also political, costs domestically.



14 October Online dialogue discussed the opportunities of demand-side flexibility (DSF) for China's decarbonisation and lessons from the UK

Climate Strategies, Oxford Climate Policy and Energy Systems Catapult hosted the final dissemination event of their "Flexible Demand to Integrate Intermittent Renewables" project. The online event discussed the potential of DSF to solve some of the key challenges of decarbonising electricity in China. The conversation was centred around the project's findings and policy recommendations. Watch the recording.

12 October Webinar: Advancing Russia's Coal Transition to Keep 1.5°C in Sight

This event discussed the Russian coal sector and prospective elements of a coal phase-out in the country. Building on findings from the project 'The Russian Coal Sector: Challenges and Transition Opportunities' convened by Climate Strategies, we debated Russia's climate policies, including the coal sector and energy transitions.

2021 in Review

November – COP26

November **Climate Strategies helps turn the spotlight on new climate frontiers at COP26**

With the help of our members and partners, we could organise a fantastic line-up of side events in Glasgow at COP26. Read our recap.

1 November **Policy, business, and social challenges for carbon dioxide removals, carbon capture & storage**

With research and industry experts, this EU side event explored the potential for CCS and CDR in various sectors and discusses social aspects, policies and business cases needed to scale up these technologies while managing risks. They provided insights into societal, business, and political challenges, providing lessons and discussing future outlooks.

3 November **Accelerating implementation of the Paris Agreement: Ambition and Just Transitions**

In collaboration with the Ministry of Environment, Republic of Estonia and the Asian Institute of Technology, we held a COP26 side event showcasing different perspectives of just transitions and how inclusion of just transition concepts in climate policy will enable and accelerate climate action.

4 November **COP26 event on aligning finance with the Paris Agreement and unlocking $100 billion**

The SNAPFI project team organised an official COP26 side event at the EU Pavilion. Leading European researchers presented their latest insights into aligning international financial flows with the goals of the Paris Agreement. The event looked, for example, at the critical role of export credit agencies and the role of national policymaking in unlocking climate finance.

2021 in Review

November – COP26

4 November **"The New Economics of Innovation and Transition: Evaluating Opportunities and Risks" Report Launched at COP6**

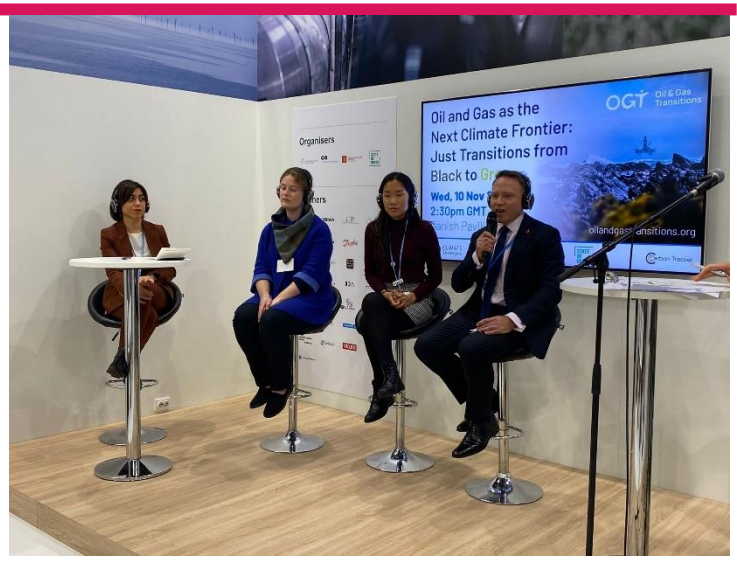
The flagship EEIST report was launched at an evening reception event in the UK Pavilion at COP26. The event was chaired by Simon Sharpe, Deputy Director of Policy at the COP Unit. The report shows how targeted policy support and investment has led to dramatic cost reductions and huge market growth in wind and solar power and LED lighting, and it calls on governments to adopt the same approach to accelerate new low-carbon industries, such as electric vehicles and steelmaking. The launch attracted 171 pieces of coverage, with 4M estimated coverage views, 2.5B online readership and 110 social shares.

10 November **Turning the spotlight on oil and gas transitions at COP26**

In November, OGT launched three publications looking at the opportunities, barriers and sensitive intervention points for the oil and gas transitions of these North Sea countries. Furthermore, they mapped key stakeholders and their perspectives on these processes. The analysis is underpinned by the seven just transition principles as an overarching framework. The reports mark the first major milestone of the OGT programme, and they offered key insights for its next stage: the co-production of just and feasible, science-backed scenarios for oil and gas transitions in all three countries.

8 November **C⁴U and NET-Rapido participation in COP26 event in the Nordic Pavilion: 'What is the role of carbon capture and storage in climate mitigation?**

Hanna-Mari Ahonen and Matthias Honegger from Perspectives Climate Group and the NET-R consortium presented their work on financing and governance for NETs respectively. The event was attended in person at COP26 in Glasgow in the Nordic pavilion and has since been streamed over 6,000 times on YouTube.

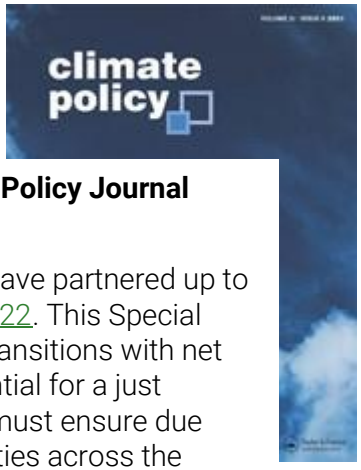


2021 in Review

November and December

11 November COP26 event on reforming the financial system to accelerate climate action

At our final COP26 event, we were joined by Green Climate Fund Executive Director Yannick Glemarec to discuss how to create a circle of trust between key financial decision-makers to unlock international investment in green infrastructure and climate resilience in developing countries.



November Oil and Gas Transitions and the Climate Policy Journal launch call for papers

The OGT consortium and the Climate Policy Journal have partnered up to publish a special issue on oil and gas transitions in 2022. This Special Issue will bridge the need for market-led oil and gas transitions with net zero emission ambitions, critically analysing the potential for a just transition by 2040. Such an ambitious just transition must ensure due process and fair outcomes for workers and communities across the whole oil and gas value chain.

November New projects to investigate new climate policy frontiers

- Post Coal Future Lab: Designing and setting up a Post-Coal Future Lab (PCFL) platform.
- Net Zero Political Economy: Delivering actionable insights on near-term interventions in the political economy of big global emitters - China, Nigeria, India, Indonesia, and Brazil.
- Energy Transitions in Russia: How to diversify regional economies of coal regions in Russia and the prospects for fossil fuel transitions in the country.
- PULLP: The impact of peer review mechanisms on national climate pledges
- Comparing carbon neutral strategies in the EU, US and China.

9 December Annual General Meeting

We convened our member network for an online annual catch-up, presenting our work and collecting ideas for future collaborations.

Our membership

We are proud to have an expansive, global member network of world-leading researchers. Membership is open to any individual who supports Climate Strategies' objectives and is invited and approved by the Board to join. We actively promote diversity, encouraging applications from women and from non-EU countries. Members usually work for universities or research institutes. Through their research they make significant, demonstrable and constructive contributions to climate and energy policy.

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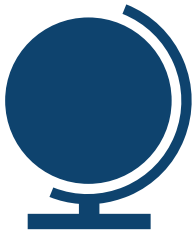
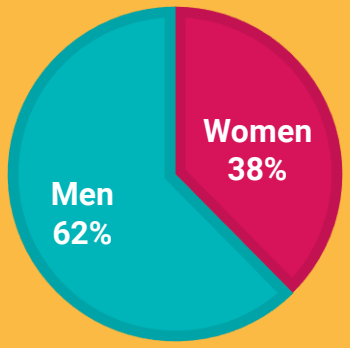
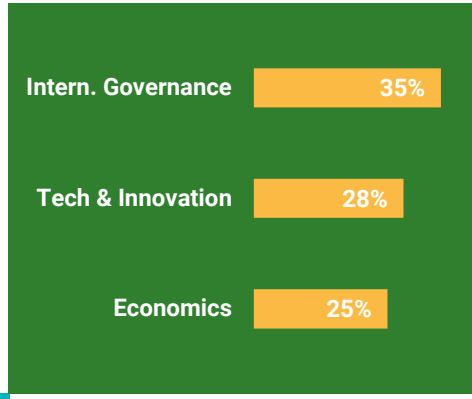
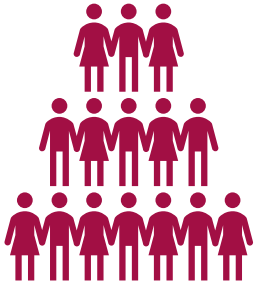
Members









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Countries

We actively engaged with

74%

of our members
(+9% compared with 2020)

Top 3 research interests among members

What our members say about us

"Climate Strategies for me is the ideal stakeholder engagement partner in larger research projects, such as in Horizon Europe projects, and the CS Secretariat members are tireless in helping me becoming a better communicator of my research. Moreover, Climate Strategies a very rewarding and fun network for me, where I have met numerous co-authors whom I would now call friends."

Heleen de Coninck, Professor of Socio-Technical Innovation and Climate Change, TU Eindhoven

"Climate Strategies is a unique international network that helps all its Members, and project participants, to bridge the divide between research and policy at the international level. A please to see it going from strength to strength."

Michael Grubb, Professor of Energy and Climate Change, UCL

"Climate Strategies has been supporting and initiating work on the climate policies and diplomatic positions of the Russian Federation since 2000. The current Climate Strategies support to research on Russia enables analysis on low-carbon transitions in the country's fossil fuel sectors by a multi-disciplinary team of Russian experts. This will generate knowledge and debate on Russian economy's alternatives beyond fossil fuels, both nationally and internationally."

Anna Korppoo, Research Professor, Fridtjof Nansen Institute

"Researchers and policymakers require strong international networks for rapid diffusion of new ideas and lessons learned, but such networks are few. Climate Strategies is a unique global network of applied policy researchers, which I have found to be extremely useful over the two decades of its existence. As a founding member, I have particularly been happy about Climate Strategies' increasing reach to the Global South which has enabled important bridge building in a world still too often separated into North and South."

Axel Michaelowa, Head of Research, International Climate Policy, University of Zürich

The Secretariat in 2021

Our secretariat is the focal point for members alongside external researchers. Our team streamlines and manages communication, collaboration, research proposals, project execution, dissemination and stakeholder engagement.

Andrzej Błachowicz
Managing Director

Sascha Brandt
Communications Manager

Adriana Chavarría Flores
Programme Officer

Julie-Anne Hogbin
Programme and Networks Manager

Nia Hunjan
Programme Associate

Patrick Lehmann-Grube
Programme Associate

Lillian Lochner
Programme Officer

Tim Swinfen-Green
Operations Manager

Our Funders in 2021

Our work would not be possible without the generous support from our funders and close collaboration with our global partners. We thank them for their support and hope for a successful collaboration in 2022 and beyond.