Acknowledgements

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# Table of Contents

**Introduction** ............................................................................................................. 3  
**Executive Summary** ............................................................................................... 6  
**Conference Proceedings** ........................................................................................ 7  
  European Commission .................................................................................................. 7  
  The Commission's approach on climate policy and the future role of the EU in negotiating global climate change policy measures .............................................. 7  
  EU and the Financial Crisis: Strengthening EU economic governance ...................... 9  
  European Policy Center (EPC) .................................................................................... 11  
  European Council ....................................................................................................... 13  
  WWF EU Policy Office ................................................................................................ 15  
  Microsoft Executive Briefing Center Europe .............................................................. 16  
  Danish Embassy ......................................................................................................... 19  
  Danish Permanent Representation to the EU ............................................................... 21  
  Panel Discussion: The Transition of the European Energy Sector - Challenges and Opportunities ................................................................................................................. 23  
  Thomas Sattich: Energy Transition in Europe's Power House – Germany's Energiewende and the Internal Electricity Market ......................................................... 23  
  Hans Van Steen: The Role of Renewable Energy in Europe's Energy Transition ........ 25  
  Susanne Nies: Transition of the European Energy Sector - what, where, how .......... 26  
  Dries Acke: The European Climate Foundation ......................................................... 28  
  PANEL DISCUSSION .................................................................................................. 30  
**2013 Brussels Academic Conference Speakers** ...................................................... 33  
**Sustainability Seminar** ............................................................................................. 37
DESCRIPTION OF CONFERENCE:

On April 1-5th, 2013, the students of the Master of Science of International Business and Politics program (MSc. IBP) at Copenhagen Business School (CBS) will be hosting the First Academic Conference in the City of Brussels. The goal of the conference is designed to bring together a diverse range of speakers to discuss and share knowledge on the pressing issues, institutional mechanisms and best business practices that promote and foster towards a sustainable economic, social and environmental future.

The purpose and vision of the MSc. IBP Conference is not only familiarize masters students with the interplay of European political institutions, private companies and NGOs, but to establish an arms-length relationship between the MSc. IBP Program and the central actors in Brussels, which are an essential part of this evolving and critical program. The conference will publish proceedings for all attendees in order to contribute, gain a critical insight and potentially help resolve some of the most complex and contemporary political, business and legal issues.

The theme of this year’s Brussels conference will be: Sustainability: The Issues, Complexity and Strategies in Business and Politics. In this regard, we also will be hosting a panel on the Transition of the European Energy Sector, which is one of the major challenges for the European Union in the upcoming years. The adoption of a European Energy Roadmap 2050 by the EC and Germany’s decision to pull out of nuclear energy generation are two examples that indicate a major change in European energy policy. The panel will include policy makers, researchers and industry representatives in order to shed light on the various challenges and opportunities in moving towards a sustainable energy sector. The panel will be moderated by Dr. Stine Jessen Haakonsson, Associate Professor at Copenhagen Business School, whom is currently engaged in the research of the globalization of renewable energy technologies.

The conference will also consist of visits and presentations from the following organizations: EU Commission, EU Council, EU Committee of the Regions, Microsoft Corporation, European Policy Center (EPC), WWF EU Policy Office, Permanent Danish Representation to the EU, and Danish Representatives to the European Parliament.
MSc. International Business and Politics:
The Masters of Science in International Business and Politics Program at Copenhagen Business School is an innovative program that focuses on the international interactions between businesses, national and international political institutions and NGOs, a field that is of ever growing importance in the age of globalization. The program has been proclaimed as having the highest GPA requirement in Denmark for undergraduate admissions, as well as listed internationally as 3rd for “Universal Business School with the Most International Influence”, according to the Business School Eduniversal ranking.

Participants:
Attending the 2013 MSc. IBP Brussels Academic Trip includes professor Dr. Stine Haakonsson (Associate Professor, CBS Department of Business and Politics) and Professor Janine Leschke (Associate Professor, CBS Department of Business and Politics), along with 41 of the students from the masters program. The MSc. IBP Brussels Trip is made possible with the generous support of the Business and Politics Department of Copenhagen Business School, Jan Molin, CBS Dean of Education and the CBS Sustainability Platform.
The CBS Sustainability Platform exists to facilitate development of research, educational and outreach activities on sustainability at Copenhagen Business School (CBS). It is established to serve as a catalyst and communicator of knowledge that can be used in addressing the grand challenges associated with ensuring social, environmental and economic sustainability in society. The CBS Sustainability Platform's overall research, education and outreach agenda is to question and challenge how the interplay between society's environmental, social and economic activities is influenced by business and is influencing business.

The CBS Sustainability Platform does not operate through isolated silo-thinking. We join forces across business school disciplines and departments to develop innovative research, teaching and outreach initiatives on sustainability. Most importantly, we have good colleagues who make the journey happen.

**Main Activities**

Building upon Copenhagen Business School’s current research, education and outreach activities, the objectives of the CBS Sustainability Platform are to:

- Enable inter-disciplinary research that can augment existing research activities/agendas within the disciplinary domains of CBS departments by: providing support for external funding and research project development; by attracting (international) PhDs and more senior researchers; by organizing international conferences and developing relationships with strategic funding agencies and potential business partners.

- Provide students at all levels with unique educational opportunities that will enable them to effectively address issues pertaining to business and sustainability. This will allow CBS to leverage its position as one of the relatively few business schools in Europe offering an extensive range of educational activities focusing on sustainability.

- Continue to develop CBS’ outreach activities through collaboration with students and CBS-colleagues as well as external stakeholders so as to build networks of business leaders, policymakers, researchers, CBS alumni and NGOs that can meet and engage with one another in constructive and thought-provoking ways. Additionally, we propose working with the international accreditation bodies that take an interest in sustainability focus in business school accreditation.

A big thank-you to the CBS Sustainability Platform for providing funding for this year’s event, along with Jan Molin, CBS Dean of Education and the Business and Politics Department of CBS.
EXECUTIVE SUMMARY

Conference Proceedings

The EU Commission introduced the characteristics and workings of the European Union, followed by special presentations on climate policy as well as the financial crisis, thereby reflecting two important aspects of the current sustainability debate. Mr Hans Martens of the European Policy Centre shared insights about the European economy, the euro crisis, and the future of the EU, which should focus on problem-solving rather than discussing the options of a super-state or break-up. At the EU Council, the processes and procedures in one of the most important institutions in Brussels were examined. Mr Jason Anderson of the WWF EU Policy Office gave a very insightful presentation on the challenges facing an NGO in Brussels when it comes to affecting the environmental and climate policy processes. Furthermore, he highlighted the dire situation that the world faces in terms of climate change and how EU policy is essential to create a new way forward. At Microsoft’s Executive Briefing Centre, the possibilities of future technology were pointed out – especially the low-hanging fruit for policymakers to follow up on for a sustainable future. The Danish Ambassador to Belgium, Mr Poul Skytte Christoffersen, shared his very interesting experiences of being involved in the Danish Presidencies of the Council in 2001 and 2012. Ms Eva Ejdrup Winther, the Danish Social Attaché, gave a national perspective on the institutional setting in Brussels.

Panel discussion:

The Transition of the European Energy Sector - Challenges and Opportunities

The Organizing Committee hosted a panel on the Transition of the European Energy Sector, which is one of the major challenges for the European Union in the upcoming years. The adoption of a European Energy Roadmap 2050 by the EC and Germany’s decision to pull out of nuclear energy generation are two examples that indicate a major change in European energy policy. The panel included Ms Susanne Nies of the industry coalition Eurelectric, Mr Hans van Steen of the EU Commission’s DG for Energy and Renewables, Mr Thomas Sattich, a researcher at the German Institute for International and Security Affairs, and Mr Dries Acke of the European Climate Foundation, an umbrella organisation for climate-concerned NGOs in Brussels. Mr Sattich gave a presentation of his research on the current (deplorable) state of the Internal Electricity Market and how Germany’s Energiewende and the increasing role of renewables necessitates a review of the area. Mr van Steen presented the Commission’s roadmap for a low carbon economy, and how the financial crisis is threatening the plan. He also emphasised the importance of harmonising national schemes and converging on best practices. Ms Nies spoke of the importance of innovation and investments for the European energy sector to ensure feasible renewables in the future. Finally, Mr Acke refocused the discussion to include demand-side aspects and talk about the importance of more ambitious (and realistic in terms of reducing the impact of climate change) goals for the reduction of carbon emissions. The presentations were followed by a panel discussion on a range of topics such as climate change and competitiveness, energy storage technology, and consumption – questions posed by the M.Sc. IBP students.
Ms. Simona Constantin, Legal Officer, DG for Climate Action, Unit A2 Climate Finance and Deforestation

The Commissions approach on climate policy and the future role of the EU in negotiating global climate change policy measures

DG Climate is a relative small DG with approx. 160 people compared to DG ECOFIN at approx. 7-800 people.

EU and Climate Policy

Ms. Constantin left no doubt that the EU is a world leader in the area of climate action. She explained the main challenge of the EU was to mitigate the effects of climate change by reducing greenhouse gas emissions. However, climate change is to some extent already an irreversible process, so a lot of focus should also be attributed to the adaption to the changes that are likely to occur.

EU's policy on climate change is to a large extent derived from international agreements such as the UN Framework Convention on Climate Change and the Kyoto Protocol. As such, the EU is committed to keep global warming below 2 degrees Celsius compared to pre-industrial levels. In doing so, it has pledged to cut 20% of greenhouse gas emissions by 2020, and is willing to increase the target to 2030 if other countries with high levels of emissions also commit to do their fair share. As climate action is an area of shared competence in the EU, and as member-states which have more focus on re-fueling the economy at the moment, radical changes are not likely to happen soon.

The current EU policy on climate action is popularly referred to as the 20/20/20 targets: EU's trading scheme should contribute by a 20% to target reduction, a 20 % contribution by renewable energy and increase energy efficiency by 20% all by 2020.

These are the main pillars today, but a new pillar is likely to be included soon: Deforestation and agriculture. Land use land use change and forestry (LULUCF), will enter into force by mid-2013. Member states will have to begin to
account for the emissions from agriculture and deforestation. There are no targets for reduction now as it is a complex area, so a framework must be established.

**Mainstreaming Climate Action**

With regard to the next EU Budget from 2014 to 2020, at least 20% of the entire budget should support climate action with contributions from different policies. A common tracking system on how much spending relates to climate action will be introduced as well. As such, the policy is accompanied by a monitoring mechanism to secure that the different policies as e.g. the common agriculture policy is focusing on climate change as well as supporting developing countries. Poverty reduction comes together with fighting climate change.

**The Future of Climate Policy in an International Context**

The Durban UN climate change conference in December 2011 made a significant decision: To adopt a universal legal agreement on climate change no later than 2015, to be applied from 2020 on. This includes not just developed but also developing countries and take all existing scenarios into account. The next step is negotiations under the Durban platform for enhanced action to formulate an agreement before 2015 and ratification of the second commitment period under the Kyoto Protocol. The first period ended in 2012.

However this vision comes with some challenges:

- Getting all parties on board and balancing efforts, hopefully more positive signals from the USA. Canada has withdrawn, on the other hand.
- Adapting to a world with increased global temperatures. World Bank publication and study "Turn Down the Heat".

**Questions:**

What’s the progress regarding the 20-20-20 target?

Projections show we will reach the target by 2020, which is why the EU is considering increasing the target, but it would not mean a lot.

Technological change and business involvement?

Works from international financial institutions. EIB. Other areas are more problematic, such as aviation or international emissions trading.

How does a typical work day for a legal officer in the DG climate action look like?

Ms Constantin is the only legal officer in her unit. She works on issues Climate finance, legislation in deforestation and agriculture. A lot of focus lies on preparing the LULUCF through consultations internally, with member states, businesses, NGOs, etc. or gathering information and writing proposals. This also includes negotiations with Council and Parliament and the participation in working parties to explain the legislative proposals.

**European Commission**

Mr. Jens Matthiesen, DG for Economic and Financial Affairs
The crisis

- It is not a euro crisis, as the euro as such is not the source of the crisis. The crisis has hit some specific countries in the euro.
- The EMU project had some deficiencies, which are being fixed.
- Sovereign debt crisis: some EU countries had problems in maintaining the confidence of financial markets. Because of the high deficits and debts, markets thought these countries had problems. In the end, it is a problem of competitiveness: they must stay competitive within Europe and abroad. Right now, that have difficulty financing themselves on the international financial markets.
  - Greece was the first out, followed by Ireland and Portugal. They were given financial assistance (loans) from the EU and a program of policy commitments and institutional reform. Cyprus is the latest to benefit from such a program.
- DG ECFIN has added 2-300 new economists over the past few years to address this urgent problem.
- The situation is now under control. Ireland will be able to exit the program soon. Portugal is also making progress. Greece is more difficult but they are also making progress. Markets are acknowledging the development. The fire fighting has paid off.

Economic governance: lessons from the crisis

The scope and nature of surveillance must become wider on macro-financial issues and competitiveness or imbalances; deeper on debt sustainability and growth enhancing reforms; and better integrated to avoid partial and fragmented approaches. Follow-up and enforcement instruments must be strengthened.

Several reforms have been implemented on fiscal policy, competitiveness, growth and policy integration and the financial markets. Economic governance has also been integrated into the European semester.

When it comes to fiscal policy, there have been several deals since December 2011. They include regulation to strengthen the preventative as well as the corrective arm of the new Macroeconomic Imbalance Procedure (MIP). The debt criteria have been cut on equal footing with the deficits, and stronger enforcement mechanisms have been introduced.

Competitiveness is a new area to be regulating, for which there was previously no monitoring or control. The Commission has thus defined several components of this policy area, such as competitiveness developments, export performance, private and public sector indebtedness, and assets markets (housing).
Finally, institutional changes have been made to ensure more timely and decisive decision-making. There will be a Euro summit, which will meet twice a year with a permanent president for 2½ years; a formal Euro Council; and both the European Parliament and the Commission will be included as well.

Challenges looking ahead

Mr Matthiesen saw four challenges looking ahead:

• Challenge 1: the complexity of the many (new) surveillance mechanisms.
• Challenge 2: analytical capacity of the Commission. A lot of effort and time will have to go into understanding each country’s economic makeup for the surveillance mechanisms to be effective.
• Challenge 3: political ownership and accountability. A deeper integration of economic policies is occurring, so power is being transferred from the member states to the EU. Citizens need to understand and accept the necessity of this.
• Challenge 4: agreeing on what sort of EMU in the long run. Where is the Euro headed? Towards Eurobonds, a greater budget for the EU, or even a political union? Agreements need to be reached on these points.
Mr. Hans Martens is the Chief Executive Officer of the European Policy Centre, the self-professed largest think tank in Bruxelles. A Danish native, Mr. Martens utilized healthy portions of Danish humor in his presentation on the sustainability of Europe’s economy. The sustainability in question dealt firstly with how to sustain the standard of living in Europe in economic terms, and secondly with how this economic development might take issues of environmental sustainability into account.

The overarching argument that Mr. Martens made during his presentation was that the bleak outlook for Europe painted by the media is misleading, and that the right policy solutions would be able to economically and environmentally sustain Europe for future generations.

The first point in this argument was illustrated with the strength of the Euro currency. When contrasting the exchange rate of the Euro with that of the dollar over the past 15 years, it was shown that the value of the Euro doubled from around 2002 to 2007. Mr. Martens acknowledged that this was perhaps more a story of the weakness of the dollar than the strength of the euro, but he underscored that it was difficult to make that argument that the Euro was weak in the period before the crisis, despite the EU supposedly being weakened by wars and tax relief. Moreover, Mr. Martens showed that the euro remained comparatively strong in the financial crisis. Thus, if everyone had really lost confidence in the Euro, it would not have retained such a high valuation.

When turning the attention to public budgets, Mr. Martens argued that again the outlook was no so bleak as it had been portrayed, in that the Eurozone budget deficits are smaller than those of the US, UK and Japan. When looking at public debt, the same pattern appears, with the US, UK and Japan all having higher levels of debt than the Eurozone. Moreover, EU current account balances have been relatively stable. This is crucial, in that there is thus no need for external financing as in the US, where the current account balance is negative. Mr. Martens argued that this was a grave problem for the US, in that it means that you are dependent on the world to finance your deficit. Mr. Martens continued to say that it is not credible for the US to be the policeman of the world with a deficit necessitating foreign borrowing.

With these points made, Mr. Martens argued that the real problem in Europe is the unemployment numbers. Greece and Spain have unemployment rates above 25%, and young people graduating will only have a 50% chance of getting a job when they enter the job market. This in turn means that this young generation is not having children and
they are not paying taxes. However, bright spots appear in Europe, e.g. Germany, with an unemployment rate of 5%. Mr. Martens argued that when people are blaming Germany and accusing them of trying to impose the German model of austerity, it is partly understandable since they’ve successfully kept the unemployment rate quite low.

All over Europe, the economic policies are founded on an assumption of a 2% annual growth in GDP to ensure the generation of new jobs. However, in 2013 only the US had that level of growth. The EU in turn had a small negative growth. This necessitates finding the difficult balance between austerity and an agenda of growth and jobs. Mr. Martens acknowledged that financial markets and media were creating a lot of hysteria on the topic, making sensible solutions harder to see. However, Mr. Martens argued that there is no way out of a debt and deficit crisis, if you don’t focus on growth and jobs. Further underlining this point are the facts that a) austerity policies have angered Europeans and made many anti-European, b) that low growth makes it difficult to balance budgets and decrease debt, c) that high unemployment is a tragedy for the individual, for families, for society, for the economy and politically, and d) that high unemployment has helped spur on xenophobia and populist parties in e.g. Greece, Hungary, Scandinavia, Italy, the UK, Austria and Flandres.

Having thus scorned a large part of the austerity agenda, Mr. Martens also gave words of praise to some of the measures taken in Europe. The European Stability Mechanism (ESM) combined with the President of the European Central Bank Mario Draghi’s usage of the ESM to support the market was successful. Though EU treaties forbid quantitative easing Mr. Draghi has used the fund to largely the same effect. Moreover, Mr. Martens argued that Mr. Draghi’s July 2012 speech on being willing to do whatever it takes to protect the euro had tangible effects in that the interest on Spanish bonds dropped from 7 to 5% after his speech, even though you Spain had not yet actually applied for ESM funds.

In terms of the future, Mr. Martens disagreed with the prevailing notion that there are only two paths – a break-up or a superstate. Instead, Mr. Martens argued that the EU should focus on solving real problems for real Europeans, with jobs taking precedent. With national budgets strained, the EU should develop a “growth bazooka”, consisting of a) a deepening of the internal market with a focus on the green and digital sectors, b) utilize more public private partnerships (PPPs), and c) expand the signing and usage of free trade agreements. On PPPs, Mr. Martens argued for lifting bans on e.g. how pension funds can be invested, and that the EU should focus on PPPs within energy (smart grid), infrastructure, and the digital sectors (e.g. a fibernet). Such PPPs would generate revenue down the line, and spur employment nor. This “growth bazooka” would act a an economic kick-starter, but should be followed up by prudential structural reforms.

On the need for such reforms, Mr. Martens argued that the pressure on the European welfare state was real, mainly due to demographic shifts. Therefore the pension age should rise across Europe, we should have policies that help immigration and integration, and generally seek productivity improvements - also in the public sector, which is currently not measured on productivity.
Mr. Lars Erik Svensson, Political Administrator, DG B, Unit 4B Health and Foodstuffs
Mr. Ilkka Saarilahti, Head of Unit, DG G, Unit 2A, Budget and Financial Regulations

Mr. Svensson discussed what makes the EU different from any other International Organization. He covered two points: (1) the fact that power in certain legislative areas has been transferred to the institutions from the member states and that the member states are bound by the decisions made in the EU; and (2) that decisions are made by qualified majority, which means that the member states can be overruled. Qualified majority encourages compromise. However, unanimity is required on certain essential issues.

Then Mr. Svensson provided some facts about the European Council. The Council is where the heads of states meet at least twice every presidency, i.e. four times a year. The Council of the European Union is where ministers of the member states convene in different configurations (e.g. ministers of finance) to decide on laws that will become directly binding in the member states. Consultations on the laws begin in the over 100 working parties where civil servants negotiate on the issues. Ambassadors to the EU meet in the COREPER (Committee of Permanent Representatives), where the Council meetings are prepared. Decision-making in the Council is thus a three-stage rocket: from the working parties to COREPER to the Council of the EU. Furthermore, the Council Secretariat employs 3000 people. They are spread out over seven different DGs, legal services, translation units, HR and building administration.

Mr. Saarilahti described the four ways through which the EU can achieve its objectives: by law (70-75% of national laws have their roots at EU level), by spending money, through political influence and lobbying (External Action Service), and by administrative work and coordination where national civil servants meet each other.
Mr. Saariluht then moved on to discuss the workings of the Council in more detail. The working parties consist of professionals or technical experts (1 or 2 from each member state), Commission representatives from the relevant Directorate-General, the Presidency, the Council secretariat, representatives from Legal Service, and translators. The purpose of the working parties is to find a compromise on an issue proposed by the Commission. Usually, they reach an agreement although it may take up to many years.

The agreement reached will then be moved to the next level – the COREPER, of which there are two. COREPER 2 is the most senior of the two, while the deputies are in COREPER 1. The core political issues are dealt with exclusively by COREPER 2, i.e. budgetary and financial matters, external affairs, and justice and home affairs. The rest is dealt with by COREPER 1. In COREPER, the meeting of the ministers is prepared. There are ten different Council formations (but only one Council), depending on which ministers will be meeting. For a meeting to be ‘regular’ within the Council, at least half of the member states plus one must be present. Some of the smaller countries may not always have a person to send to all of the meetings. Member states can delegate their vote to another member state if they will not be present.

An important principle of the EU is the right to use your own language. The working languages are English, French and German. English is increasingly the working language, especially since the 2004 Eastern enlargement, but there are 24 official languages. If the translators have to leave after a long meeting, the participants will have to speak a language that is not their mother tongue.
WWF

Mr. Jason Anderson, Head, EU Climate and Energy Policy

Background information
World Wildlife Foundation (WWF) is an international NGO with activities across >100 countries. Founded in 1961, the WWF has now grown to house over 5,000 employees worldwide, out of which 38 work in Brussels. Their global mission is to stop the degradation of the planet’s natural environment, hence the presence in Brussels is aimed at influencing EU’s environmental policies.

Turf and competition among influencers
There are many dimensions to influencing environmental policies. Climate Action, fisheries, energy, and the EU Budget are just some of the policies areas WWF works with. Thus, it goes without saying that the competition for attention and influence is fierce. NGOs, member states, industrial organization even professions all want to have a say in the shaping of EU’s environmental policy.

Access points
To come out on top of this competition is crucial as the EU is the world’s largest trading block, 80% domestic legislation originates from Brussels and it houses one of the largest media centers on the globe with approx. 50 press conferences a week.

As most of EU’s environmental legislation follows the co-decision procedure, and knowing that 70% of the Commission’s proposals survive the assessment by the European Parliament and the Council, the Commission is the main access point for WWF. Timing, all around the policy cycle, is a very important aspect of effective lobbying. This also includes domestic lobbyism, as national campaigns may influence national politicians who then adopt the agenda and advocate it in Brussels.

Formation of alliances
However, such timing is next to impossible to master alone and consequently the actors competing for attention also need to collaborate. As such, the WWF consciously forms alliances with: other NGOs, civil society, business and industries and celebrities. The strengths of the networks should be judged based on who you know, how well you know them and how credible you are to them (contacts, relationships and credibility). An empirical observation made by Mr. Anderson particularly in Brussels is that the people dominating the agenda are the same. However, the field is characterized by revolving doors. Who was a spokesman for an industry group yesterday is working in a NGO, or as a civil servant tomorrow. Hence, forming political friendships with all actors is crucial.

Specific activities
An example of a WWF campaign who has succeeded in bridging many actors and attaining great attention is the annual Earth Hour campaign. On the last Saturday of March, 6950 cities across 152 countries switch off the lights for an hour.

**EU Climate Action**

At the end, Mr. Anderson examined in detail the current state of the EU’s environmental policy and highlighted the implementation of the 20/20/20 goals, as well as WWF’s vision for the EU Climate Roadmap 2050. This included: a 95% carbon cuts for the EU. A 100% renewable energy supply by 2050 (which according to scenarios is technically possible and economically feasible for Europe), efficiency improvements as key requisite to a sustainable low-carbon future, sustainable land use and prompt action!

Even though almost everyone acknowledges the potential consequences of climate changes, challenges to make climate investment popular still remain. The euro crisis has shifted attention towards restoring the European economy. In this respect the WWF seeks to reconcile the two sides and to break with the popular attitude that they are mutually exclusive. Mr. Anderson speculated that rising tangible evidence such as the 2012 off-season Hurricane Sandy that devastated New York could result in increasing popular demands for climate action.

**Conclusion**

Mr. Anderson’s final remarks concerned the metaphor of the ½ glass. Is it half full or half empty? Is climate action becoming increasingly popular, for instance as the mainstreaming in the next EU Budget would suggest? Or does it suffice to be global leaders, and now turn attention to restoring the economy?

**Microsoft Executive Briefing Center Europe**

Mark Lange, Director of EU Institutional Relations, Microsoft Europe
Ray Pinto, Senior Government Affairs Manager, Microsoft Europe
Jens-Henrik Jeppesen, Director European Affairs, Center for Democracy & Technology
Lisa Boch-Andersen, Senior Director, Communications, Microsoft Europe

Mr. Lange gave an introduction to Microsoft’s approach to sustainability through their CSR initiatives, Microsoft’s idea of Citizenship, and what Microsoft is doing in collaboration with the EU institutions. When it comes to CSR, Mr. Lange emphasized the importance of managing CSR in the right way and that investments should be made where companies have their skills. Therefore, Microsoft has engaged in a public-private partnership (PPP) with the Brussels Region to allow young people to access learning about ICT skills and entrepreneurship.

Mr. Pinto presented some trends of the future of technology...
Mr. Pinto stressed the importance of the cloud. He emphasized the various reasons why businesses are or should be interested in sustainability, including the reduction of costs, growing market share, mitigating risk and social responsibility. Certain key technology trends will change and disrupt the ICT industry in the next few years, according to Mr. Pinto. They include the performance of hardware and unlimited storage, cloud computing and the digitalization of the economy, and software breakthroughs in terms of natural user interface.

ICT plays a large role in driving a sustainable future. The cloud enables many sustainable practices such as flexible work styles, building management and supply chain optimization. By moving emails, groupware, and similar functions into the cloud, servers will be superfluous and CO$_2$ emissions will be reduced considerably.

Microsoft has helped develop new tools for scientists such as the WorldWide Telescope (mapping the universe), and they are participating in a project to map the earth’s biodiversity. In collaboration with the European Environment Agency, air ratings all over Europe can now be accessed by citizens online. Monitoring seeds in the ground for their hydration levels and making farmers aware of this has led to double output in farming with half the water. Making investments and supporting policies like this are low-hanging fruits for policymakers. They could easily be implemented if the willingness were there.

Mr. Jeppesen presented the Center for Democracy & Technology which has 25 staff employed worldwide. They are committed to keeping the Internet open, innovative and free and to stop governments from controlling the Internet. It is about the freedom of expression and consumer privacy – about combining
the necessary liberalization of data with the issue of protecting personal information. For example, they support the Global Network Initiative, which tries to create standards on the issues facing ICT companies, when they receive requests for data on dissidents from governments.

Ms. Boch-Andersen talked about the difficulty of landing anything in the Commission. Inter-service consultations lead to watered-down proposals. The interaction between the EU institutions and the companies is of great importance. Her job is about providing a broader, more holistic view of the company, and trying to position it well in the field.

A special thank you to Microsoft for hosting a wonderful afternoon reception and guest speakers for the CBS MSc. International Business and Politics Brussels Academic Conference 2013.
The Danish Permanent Representation to the EU employs 75 people and is the local branch of the Danish central administration. It is a comparably small representation, although it is Denmark’s largest abroad; only Malta and Cyprus have smaller ones. The Representation deals primarily with the Council, but they also interact with the Commission (as the main body of initiative), the Parliament (because all legislation is now adopted by co-decision), the press corps (which is the second biggest international press corps, second only to Washington DC), NGOs and interest organizations.

The five employees at the Danish Embassy in Belgium maintain relations between Denmark and Belgium in all fields. Regarding sustainable development, Belgium used to rely heavily on nuclear energy (up to 60%), but it is gradually being replaced by other sources of energy, incl. renewables. The excess energy production that takes place in Belgium (and which is used to light the Belgian motorways) is gradually being reduced. When it comes to wind power, Belgium faces geographical limitations to place windmills as the country is geographically smaller than Denmark. Therefore offshore wind energy is being promoted, and Danish companies (Vestas) are involved here. This is an example of how the Danish embassy works: helping Danish companies export their products.

Belgium’s language situation and political conflict has its roots in the 19th century, where Belgium was a part of Holland. The economic dominance of the French-speaking half of the population in this period led to resentment among the Flemish population. After the Second World War, the rise of new industries allowed the Flemish north to achieve economic growth. Due to these tensions, Belgium is becoming more and more decentralised. Climate and energy affairs have also become decentralised, so promoting Danish interests involves contact with regional governments.
Questions & Answers

The Danish presidency of the European Council in 2002
During the Danish presidency in 2002 the final negotiations for the Eastern enlargement took place. It was an enormous task to negotiate with the ten new member states in parallel in 2002. He also mentioned the surprisingly fast accession process of the states, which was caused by pressure from the candidate countries who went through rapid economic and political development. Mr. Christoffersen was hesitant about the timing for Romania and Bulgaria, but it would have been difficult to sustain the reform movements in those countries if ascension had not happened at that point. Furthermore, presidencies are an opportunity for promoting your country. Denmark’s presidencies have been seen as very effective and positive, and this has played a role in the negotiations for the DKK 1 billion rebate on our contribution to the EU budget. On the other hand, more permanence is the prescription for the future.

Does a change of government in Denmark affect the embassy?
Denmark is the country where a change in government has the least effect. The ministers change, but the rest basically remains intact as the central administration has very few political appointees. It is very different from a country like Belgium, where the ministers’ cabinets (up to fifty people) change when the minister changes.

Does the Representation maintain contacts with Danish MEPs?
Not only the ambassadors but also the attachées have regular meetings with Danish MEPs to inform them of the Danish position. They also function as a good entry point into the Parliament, but at times there may be no Danes on certain committees, so they broaden their contacts to foreign MEPs as well. Mr. Christoffersen also commented that the Parliament is is an underrated institution – it has significant influence. An individual parliamentarian in the EU can have much more influence than parliamentarians in the national governments, as they are not as bound to their political parties. Thus parliamentarians are very attractive to national representations as well as e.g. industry.

The apparent imbalance between the Danish dependency on coal and the Danish promotion of green energy.
Belgium is less coal-dependent than Denmark due to nuclear energy. Denmark made long-term investments in clean coal-power stations before climate change was discovered, when it seemed like a sensible choice. As it no longer is, some of the coal is being replaced by biomass.

How did the Belgian political instability of 2007-2011 affect the embassy’s work?
It did not mean anything for the embassy as there was a functional government in charge, although it could not make major political decisions. Also, an increasing number of decisions are being made by regional governments.

Does regionalization threaten macroeconomic stability?
It poses a problem. Ten years ago, 80% of all public expenditure was from the central government. Today it is a 50-50 balance between central and regional governments and it is moving towards 40-60. Under EU rules, a country is required to limit its deficit, and this is becoming harder to respect for the central government alone. The
regions need to be involved and there is no control over regional spending. This problem is also not unknown in Denmark, although in Denmark the central government decides in the end – in Belgium, the regional governments have the final say. You see this in other regionalising countries (e.g. Spain).

Hopes for EU common foreign and security policy in the future

The euro crisis weakened the EU’s position in the world. The EU did not speak with one voice, which has undermined its standing even further. This is a big problem for the EU but also for the world. The best bets for a world government today would be the G20 and the EU. The whole climate agenda is to a large extent pushed and promoted by the EU. As we are weak today, we are less able to further this and other agendas. However, influencing the world stage requires a common foreign and security policy and the attitudes amongst member states towards foreign policy are much closer today than they have been previously.

In terms of security policy, Europeans will face a choice and the Americans will push us towards it. The USA is overstretched and lacks public support for another intervention in Europe’s neighbourhood (e.g. former Jugoslavia and Libya). Either we let security problems of that kind develop and do nothing, or we unite and create something that resembles a real foreign and security policy.

Danish Permanent Representation to the EU

Ms. Eva Ejdrup Winther, Social Attaché/ Attaché for Social Affairs and Gender Equality

In general, the role of the permanent representation is alike an embassy. However, as the EU is no nation-state, the term Embassy cannot be used. The permanent representation’s main task is to be the go-between amongst the different EU institutions and authorities; the other EU members’ permanent representations and the relevant branches of the Danish government at home. With the recent uniting of the Ministry of Gender Equality and Ecclesiastical Affairs, all ministries are present in Brussels.

Given the vast amount of work, the Permanent Representation is organized around three ambassadors: a main ambassador, a deputy ambassador and a foreign and security policy ambassador. The remaining staff is a mixture between short and long-term employees from Denmark.

It is important to keep in mind, that the duty of the Permanent Representation is the promotion of Danish interests in the EU. This is particular true when negotiating in the Council, be it in working groups, COREPER or in the Council of Ministers.
Having agreed on the Danish position, it is crucial to form external alliances. Due to the vast amount of time the attaches spend together, this is often done at a personal level, during breaks or lunch. The more contentious a stand is, the more important it is to test the waters. In general, the Nordic countries, and to some extent the Netherlands tend to hold the same position. However, people are willing to go far for consensus, which is an embedded value. Despite having the power to overrule minorities, it rarely occurs as it could be you who get overruled the next time. However, people tend to seek compromises as they know it will probably be passed anyway. Hence, files can circulate for weeks or years in the working parties in strive for consensus as voting and raising hands never occur in the race for consensus. When compromises for some reasons seem unattainable, the working parties will have to forward the discussion to the COREPER, where the political will for compromises is bigger.

The Permanent Representation works with other EU institutions as well. At the Commission emphasis is put on trying to affect future strategy and proposals through dialogue. Being a pan-European institutions, arguments should reflect this. Given the ever-increasing influence of the EU Parliament, work is also done here. The MEPs are juggling between national party interest and that of their group in the EU Parliament, which can complicate matters for dialogue.

All this work is in order to keep Copenhagen at the frontier of the agenda and engage in political negotiations.

According to Ms. Winther Denmark’s main strength is coordination. Partly the internal decision making process through Folketinget is well organized in special committees and an EU committee respectively, enhancing efficiency and legitimacy. And partly since all national interests have been consulted, Denmark speaks with one voice in the EU. Coordination with Danish companies also occurs increasingly. As they can lobby both at home and in Brussels, they tend to be well informed.

A coherent and efficient coordination is also favored by the implications of the recent enlargement. External alliances and agreements promote efficiency as one member can present the stand of five countries. The resulting compromises make the mandate and legitimacy an increasing concern. Typically a one-page mandate is provided from Copenhagen, which interpretations sometimes is needed to succeed.

On a final note the role of the Permanent Representation in relation to the Danish Presidency of the EU was given. Contrasted with the 2002 presidency, the one in 2012 was rather complex due to a lot of significant points on the agenda, but not a single one as pivot as the enlargement. Further the Danish opt-outs complicated the coordination a bit since Denmark did not chair all the meetings held during the period.
Panel Discussion:

The Transition of the European Energy Sector - Challenges and Opportunities

Thomas Sattich, Institute for European Studies, Associate Researcher at the Environment and Sustainable Development Cluster (TS)
Susanne Nies, EURELECTRIC, Head of Unit at Energy Policy and Power Generation, industry representative (SN)
Hans van Steen, EU Commission, DG Energy, Renewables and CCS Policy (HVS)
Dries Acke, European Climate Foundation, Umbrella organisation for NGOs working on climate change in Brussels (DA)

Moderation: Stine Haakonsson, CBS associate professor at DBP (SH)

Thomas Sattich: Energy Transition in Europe’s Power House – Germany’s Energiewende and the Internal Electricity Market

Agenda:

1. The link between the German energy transition and the internal electricity market (IEM)
2. Renewables: some characteristics
3. Outlook

Germany’s Energiewende and the IEM

Germany’s energy usage is shifting from nuclear to renewables because of Fukushima, but the energy transition is not only meant to replace nuclear but also fossil fuels by about 80%. In the past, Germany has been producing more energy than its population was consuming, so it has not been necessary to resort to the IEM. However, the closing of eight nuclear plants in 2011 meant a dip in energy production, forcing Germany to buy energy from the IEM for the first time.

Europe’s IEM is characterised by fragmentation in individual sub-markets, based on numbers on import and export of electricity. Germany is the main transit country for electricity and is at the centre of the system. Isolated components also remain, notably the Iberian Peninsula, the Balkans and the Baltic states. The plan is for the IEM to be finalised by 2014, allowing free trade of energy in Europe. However, the IEM is limited: only 3-5% of the electricity produced is traded across borders. The decision to shut down the nuclear power plants meant that Germany all of a sudden became the primary importer of energy for several months – so the decision made a difference. But it also illustrates the limited trade in energy.

Renewables: some characteristics

Renewables play a major role in this development, since their integration into the power system is very demanding. To understand this, it is important to understand the difference between intermittent and non-intermittent energy production. Whereas non-intermittent forms of energy – such as hydropower, geothermal, biomass, coal, gas and nuclear – can be deliberately and flexibly adapted to the changes in power consumption, intermittent forms of
renewable energy on the other hand – such as wind and wave power and photovoltaic – alternate with the forces of nature and therefore vary considerably in their output.

For example, Iceland and Denmark both have a lot of renewables, but Iceland is based on hydro and geothermal power, so consumption is exactly the same as production. Wind, photovoltaic and wave energy (intermittent) leads to many fluctuations in production, so Denmark constantly needs to import and export electricity. This is possible because of the integration into the Nordic power market (with a well-developed cross border infrastructure) and its small size. As Germany is heading towards intermittent energy sources, they will need deeper integration with the IEM to offset the cyclical nature of the renewables.

**Outlook**

Germany’s energy transition will make them push for deeper integration of the IEM. However, a market opening is a very delicate task, and there are bound to be both winners and losers. There is a gap between export capacity and the need for import. France, for instance, has a large export capacity because of their massive nuclear program. On the other hand, Germany belongs to the group of countries with the highest electricity tariffs for industrial consumers as well as for private households. A quick market opening would therefore lead to flows of cheap nuclear power from France to Germany, which would undermine the idea of the Energiewende. Furthermore, renewables operates on very short time scales, and nuclear on long ones. This would mean that nuclear energy cannot necessarily counter the cyclical nature of renewables. Under any circumstance, to operate intermittent renewables, you need backup sources of energy. Modern power plants running on gas can be switched on and off – but it is very expensive, and they would not be needed all the time.

**Summary: technical and economic aspects of the Energiewende**

**Technical aspects: power grid**

- Germany’s energy transition (which consists of growing amounts of intermittent renewables) increases the need for more cross-border transmission capacity.

- Therefore, Germany should favour a European approach.

**Economic aspects: prices**

- Cheap wind energy surplus might strengthen Germany’s position in the IEM in comparison with France and others.

- The prospect of cheap, nuclear electricity imports from France, the Czech Republic and Poland is nevertheless a given – and an ironic side-effect.
• It would be very hard to harmonise the tariffs on renewable energy in Europe – there is no emerging consensus on this point, although it would be necessary to create a functioning market.

In conclusion, the European energy market is not constructed to facilitate renewables.

Hans Van Steen: The Role of Renewable Energy in Europe’s Energy Transition

EU’s low carbon economy roadmap, where the goal is to reduce carbon emissions to 20% of the 1990 levels by 2050, is currently only on track to reduce carbon emissions by 40% by 2050, compared to 1990. Therefore, when it comes to the policy options beyond 2020, renewables are the ‘no regrets’ option. We need to rely on energy sources that do not emit CO₂, so whichever way we choose to decarbonise, we need to increase the share of renewables.

There are legally binding targets for each member state for renewable energy by 2020, which means the states can be taken to court if they do not fulfil their obligations by 2020, but they cannot be held legally accountable for the interim targets. Economic sanctions might be an option on this last point, though. Overall the EU seems to be well on track, but there are very serious concerns about the impact of the financial crisis, as it has not yet manifested itself in the most recent numbers from 2010. There are fears that member states will have left their trajectories by 2014.

The planned renewable energy is higher than the estimated guesses from the Commission. Many member states have big expectations to offshore wind energy, but it will be difficult to meet those targets because of the costs and the time it takes to establish it. On the other hand, when it comes to solar (photovoltaic) energy, the costs of this renewable have decreased dramatically, especially with generous subsidies, so here the member states have met their targets.

There are purely national schemes for supporting renewables in place, although the effects of them are dubious. The subsidies for solar energy in Germany have led to there being more solar panels in Germany than in Greece, although the subsidies are very similar. Member states have refused a legislative harmonised support system, so the Commission is trying to make them converge with good practices for bottom-up reporting on support schemes. Furthermore, support for renewables has been reversed because of the financial crisis. In terms of the IEM, barriers are still significant in terms of grid connection, grid operation and grid development.

What is the EU doing?

• The basis of the effort lies with the RES directive and internal market rules, as well as the ETS

• They provide guidance on RES support and cooperation

• They provide guidance on generation adequacy (how do you ensure adequate backup generation?)

• New state aid rules for energy
The challenges arising from more variable wind and solar power can be met by a combination of developing the grid with more interconnections, developing more and better storage of energy, and more and better demand side management (shaving off the peaks of consumption) rather than exclusive focus on production.

With respect to Germany’s decision to shut down nuclear energy, the Commission was neutral. Designing the configuration of the energy mix is up to the member states themselves, as long as the agreed upon share consists of renewables, whether it be nuclear or not. Europe cannot afford to say that nuclear should not be part of the mix in a decarbonised world, even though nuclear energy does not put EU in a better situation when it comes to energy security, as the uranium is also imported. Europe will never be completely energy independent, although it is fair to say we should develop our domestic energy sources.

**Susanne Nies: Transition of the European Energy Sector - what, where, how**

EURELECTRIC is an old organisation, founded in the first ten years of the 20th century, and it is based on the principle that electricity is not national but regional. It is about ensuring the diversification of energy. Energy is by definition interdependent, so independence is not a useful way to talk or think about energy.

EURELECTRIC covers most of Europe, not just the EU. It allows interaction between the power sector and EU institutions, but the organisation also works on getting the members to agree on a common position. EURELECTRIC is a platform for the current developments: not just a minimum denominator but a forward-looking organisation.

**The Vision of EURELECTRIC**

- Decarbonisation with a diversity of technologies (including renewables).
- Cost-efficiency for customers and competitiveness for our industry: we believe the market should get it right within a certain long-term framework.
- Well-functioning and integrated markets: regulatory uncertainty and reversal of policy is very bad.

**A study on the European energy sector with McKinsey revealed the following:**

- Europe is in many senses in the lead: liberalisation of the market is complete, renewables are well-developed, and smart meters have been installed in many homes.
- From investment to innovation - leading the change! There is convergence in the industry on a common vision. But there is room for improvement in the EU’s institutional tackling of this issue.
And there is more innovation to come: there will be a 16% decrease in conventional power generation by 2020 (compared to 2011). Renewables will increase and there will be a completely different business model in the future – the industry must face this. There has also been a lot of change in the past, and those who change fast do well.

EU utilities are more active in R&D than international peers - Japan, South Korea - with significant growth in R&D investments in the last decade.

Thus, successfully embracing this change will create opportunities for companies, consumers and countries. An agile power sector will be key to capturing the innovation potential.

Investments – utilities challenged

- Utilities underperform compared to the Eurostoxx due to the regulatory uncertainty, the recession, and subsidies to renewables.

- Furthermore, European utilities are losing their attractiveness vis-à-vis American and Asian peers. The constant changing of the rules has not been good for the industry.

- Regulatory risk is on the rise, according to EURELECTRIC’s own survey. Companies do not want to be shielded from all risks, but how could they hedge regulatory risks?

Recommendations: action is needed now

- The industry says yes to renewables (although this has not always been their opinion) – and a big yes to improving the support schemes. The system is too expensive and it should be reformed. A market-compatible method should be developed and renewables should compete amongst each other.
  - The industry has been convinced that renewables work. It has taken some time to face up to the new realities, because of the fear of losing markets. But they have come around – also because of the scale that is possible with renewables.

- Renewables support should be phased out in the long term, and investments should be driven by price signals including by the EU ETS.

- Renewables have increased their share because of the support system, and so they continue to grow in times of recession. Support systems shield renewables from market conditions and more specifically from demand – demand has been falling because of the financial crisis.
An agreement is urgently needed on the European level, as the electricity system is put under significant stress. EURELECTRIC’s vision for 2030 is not a rerun of the 2020 goals, but that the ETS should be the most important instrument and it should be revived and restructured, supporting especially immature technologies (R&D). Lots of certificates should be taken out to ensure this. The ETS is the only European mechanism and EURELECTRIC fully supports a European scheme.

Dries Acke: The European Climate Foundation

The ECF is a foundation, not an NGO. It is an organisation that strategically helps NGOs do their work to be more effective. ECF has provided reports, analyses and roadmaps, which are all available on their website.

There has been a paradigm shift in the power sector as renewables have moved centre-stage. There are many aspects to this transition: demand side (consumers), developing the power grid, storage technologies (which is the more expensive option right now), and more flexible generation options (gas plants).

Today's discussion on balance is very focused on the generation side. ECF believes that grid responses and the demand-side needs more focus. Capacity mechanisms could ensure backup. We should move on from a generation point-of-view to a resource-adequacy point-of-view.

Climate and energy policy in Europe

Right now, there is only a 2020 package and goals for 2050 but nothing between 2020 and 2050. The fact that we are on track has more to do with the economic downturn than effective energy policies. There is an oversupply of CO₂ allowances in the market. Will the ETS ever drive our entire energy revolution? That is a big leap of faith. Companies know ETS will never really bite them. ETS suffers from over-expectation; it was never meant to do all the things expected of it. IEA has produced a report on what carbon pricing can and cannot do. Carbon price is not a clear, long-term investment system. A fluctuating carbon price will not incentivise R&D. The deployment of technology is important and also makes the technology cheaper.

Subsidies are being spoken of as being a bad word, but fossil fuels are also subsidised. Subsidies are public money, and shouldn’t public money be spent on ensuring a clean future?

We need a 2030 discussion to decide where we need to be by 2030 to reach the 2050 goal of 80% reduction of emissions, although this is on the low side of what is needed, according to scientists. No European energy policy scenario takes into account that it may be necessary to reduce emissions by 95%.
EU fuel imports will increase over the next 25 years with massive gas (in spite of shale gas) and oil imports. USA is weaponing itself and will reduce imports to guard itself against the fluctuating prices of oil and gas. ECF believes that climate and competitiveness is compatible. Fuel imports are the Achilles heel of the European economy and renewables are also an energy security policy, an economic policy – not just a climate objective.

When it comes to nuclear, ECF is technology-neutral – they care about CO$_2$. We should not discuss what technology we like best, that wastes a lot of time. From a technology point-of-view, a stable energy system based on 100% renewables is possible by 2050 no matter the energy mix.
PANEL DISCUSSION

HVS on growth, climate change and competitiveness: The three things hang very closely together. Not doing anything about climate change will be bad for growth and competitiveness in the long term. Can we afford more expensive technologies? Should we be trying to do so much when the rest of the world is not doing much? Well, not doing anything will be just as expensive as doing something. All of the scenarios are more or less at the same cost level. The “business as usual” scenario is at the same cost level as investing in technology now, since investments to adapt to the effects of climate change will be just as expensive. It makes sense to make the investments now, as Europe will remain at the cutting edge – otherwise we will definitely lose our technological advantage.

HVS on the governance of the Commission: The Commission works closely together across DGs and climate change is the responsibility of the entire Commission, so close collaboration is necessary. The Commission provides a kind of compromise by having very different perspectives.

HVS on member states that are not playing ball: Naming and shaming takes place to try and persuade public opinion and engage civil society, if there is a good case for members not being on the right track. (Examples: Latvia and Malta.)

SN on climate change and competitiveness: To her, competitiveness stems from four pillars: education, infrastructure, innovation and government. There is investment in European infrastructure taking place, which is good. EU is investing in exactly the right area and doing it much better than e.g. China and USA. But investments have to be made in the right way. Renewables have been pushed into the system, but the system cannot keep up. The power plants are old, and the infrastructure is reaching its limits. There needs to be public acceptance of the investments in infrastructure.

TS on growth: Europe has the perfect size to get an operational power system. We need the European level, but it goes beyond Europe as well. You could integrate the North African countries as well and interconnect all the countries around the Mediterranean Sea. Markets for biomass are emerging on a global scale.

TS on storage: Denmark is an interesting example. The constant imports and exports are not (in economic terms) the best model, since you are actually subsidising exports. So Denmark is thinking about using surplus wind power to heat water, or even developing a fleet of cars to charge at night, just to try and keep the energy in the country.

HVS on storage: Storage is an important piece of the puzzle; we will need more storage. Pumped hydro is a very good solution. Other types of storage include battery technology, which has been lost to Asia, but there might be possibilities of using battery technology for intermittent renewables. For transport we have biofuels, although it is a very controversial issue.

SN with an industry perspective on storage: There are many possible and fascinating technologies, which should be supported by R&D. Storage could be part of a broader picture of flexibility, but the market should figure it
out on its own, since storage does not have a business case today. Interconnectedness may be a much better idea.

**TS on biomass:** Adding biomass to coal is called “co-firing”. It does not require much additional investment and could be a handy alternative.

**SN on grids in Europe:** There are already big grids in Europe – we are not starting from scratch. But there are bottlenecks, especially inside France and Spain, congestion on the borders, north and south of Germany. The Baltic countries are still a concern as they are not synchronised. The future reads much more complex. 1 km of connection costs €1 million. It can happen, and there is an important role for both industry and the Commission, but the public needs to be more aware of the situation.

**SN on consumption:** A very important point! The old maxim of “the more energy people use, the better” is no longer true. We need to talk about energy services and energy efficiency.

**HVS on grids in Europe and trade:** If you want a European market for energy you need two things: a functioning grid to transport the electricity and a liberalised system so you have access to it. We still have problems with bottlenecks.

**HVS on consumption and energy efficiency:** The Commission is doing a lot, but there is still considerable resistance. Consumers seem to be very worried about the idea of putting chips into fridges or freezers to manage how much energy they are using, because they fear it may interfere with how they organise themselves. However, we may just simply have to accept it! It does not have to mean a lessening of our lifestyle. More and better demand management could go a long way. For instance, should owners of electric cars have the right to charge them whenever they want? Maybe not – it is about influencing demand when there is production (night-time).

**TS on consumption:** Heating systems in France take up energy at night from the nuclear energy power plants. So controlling demand is not really a new thing.

**HVS on the global developments and Europe’s role:** It has been a disappointment for the EU and the Commission that the COP15 strategy failed. Before then the strategy was that the EU showed the way and the rest of you need to get your house in order. This did not work and the result was disastrous. The hope is that one day we will have a binding agreement on reducing emissions. Personally, HVS is worried. The green paper from the Commission is optimistic, but a global agreement is a concern. The USA has reduced emissions by moving from gas to shale gas, but shale gas is still a fossil fuel.

**HVS on the economic crisis:** It has had an impact, especially on the Mediterranean countries. There has been a panic reaction from governments, which has resulted in moratoriums on subsidising renewables. The Commission works closely with programme countries – for example, Greece. Here, renewables are seen as a big part of the economic revival, but the enthusiasm disappeared as it has become less realistic. It is a windy, sunny country but there is not much happening. Spain had revised its national plans before the crisis and were planning to overshoot their EU targets – now, they will only just meet them.
HVS on consumers: Consumers do not want high voltage connections in their backyards. There is a job of explaining the situation to the populations. You cannot have everything. The advantage to the individual consumer is very difficult to see.

SN on the economic crisis: There is an over-stretch in the schemes of subsidies for renewables. It is difficult but necessary to change the current system. The crisis has shown that there are groups of vulnerable customers and there have been targeted welfare state policies to combat the problem. Investing in modernisation is not cheap, but there is no cheap alternative.

SN on a possible global agreement: She does not believe in bureaucratic programmes and considers mental change as more important. People have other priorities, but mentalities are changing.

Final comments from TS: A mixed, European energy system will contain everything we have heard about, but only elements of all of it. There is a super grid in existence, but only in the North Sea. Europe is not likely to reach the target of 100% renewables; they will be part of a larger mix. There will not be a big European market – some regions will be more integrated than others.
SPEAKERS

Hans Martens  
**CEO, European Policy Center**

Born in Denmark, Hans Martens studied Political Science at Aarhus University, specialising in EU affairs and in public administration, and went on to become Associate Professor in international political and economic relations. In 1979 he joined the Danish Savings Bank Association as Editor-in-Chief and Head of Information. From 1982-1985 he was Head of the International Department of a Danish trade union, the Salaried Employees Federation, where he took charge of the organisation’s international relations, including with the OECD and the ILO. In 1985 Hans Martens joined the Copenhagen Handelsbank initially in charge of the Economic Department and later as Head of the International Private Banking Department. There he was responsible for economic analysis and forecasting and for developing the bank’s investment and capital market products. In 1989 he set up Martens International Consulting, specialising in international consultancy and customised training (including in EU affairs) for a number of major companies. He joined the European Policy Centre, a leading Brussels think tank, as Chief Executive in 2002.

Jason Anderson  
**Head of EU Climate & Energy Policy, WWF European Policy Office**

Jason Anderson is head of European climate change and energy policy at the WWF European Policy Office, managing a team in Brussels, leading European policy among a network of 15 offices, and contributing to WWF’s Global Climate and Energy Initiative. He is also chairman of the Board of Directors of Climate Action Network Europe.

Jason worked for several years in solar energy projects in North and Central America before graduate studies. Thereafter he was a policy officer at Climate Action Network Europe in Brussels, during which time he was a member of several European Climate Change Programme working groups, including on industrial gases, emissions trading, and CO2 capture and storage (CCS). Afterward he was head of the climate programme at the Institute for European Environmental Policy, where he authored numerous studies on European and international climate and energy issues. He was also a lead author of the IPCC special reports on ozone and climate interactions, and on carbon dioxide capture and storage.

Jason earned graduate degrees in environmental science and energy policy from the University of California at Berkeley in 1998, and a degree in evolutionary biology from Harvard University in 1990.
Masters of Science
International Business and Politics

Brussels Academic Conference 2013

SPEAKERS

Mark Lange
Director, EU Institutional Relations
Microsoft Law and Corporate Affairs

Mark is Director EU Institutional Relations with Microsoft Law and Corporate Affairs in Brussels. A native of the United States, Mark has been based in Microsoft’s European offices in Paris and Brussels since 1998. He works on a variety of legislative and government policy topics including international trade, intellectual property, and issues surrounding cloud computing.

Poul Skytte Christoffersen
Danish Ambassador to Belgium

Eva Ejdrup Winther,
Social Attaché at the Danish Permanent Representation to EU

The Permanent Representation of Denmark to the EU takes care of Denmark’s interests in the European Union. We are the eyes, the ears and the voice in relation to the European Commission and the European Parliament and promote Danish interests in the negotiations with the other member states in the Council of the European Union.

The Representation represents Denmark in the various working groups of the Council and in the Permanent Representatives Committee called COREPER. It also assists Danish ministers participating in Council meetings and in summits for the heads of state and government. Their negotiating positions are decided in Copenhagen by the Government and presented to the European Affairs Committee in the Danish Parliament before the Representation or the visiting ministers can vote yes or no in Brussels.

Since the EU includes many different questions the Representation is a very composed institution with posted employees from all Danish Ministries except from the Ministry of Ecclesiastical Affairs. At the same time it is the largest Danish Representation abroad with a total of 78 employees, of this 52 are posted from Copenhagen.
PANEL DISCUSSION

Thomas Sattich
Associate Researcher, Institute for European Studies

Thomas Sattich joined the Environment and Sustainable Development Cluster at the Institute for European Studies as an associate researcher in April 2011. Since July 2011 he has also been a visiting fellow at the Brussels office of Stiftung Wissenschaft und Politik (SWP). He graduated from the Ludwig-Maximilians-Universität Munich (political science, law, modern history), has studied in France and Hungary and is carrying out his PhD at the University of Bremen, Germany. Research visits at the Instytut Spraw Publicznych and the German Historical Institute Warsaw roused his interest in the (not so) new EU member states, which ultimately led him to the topic of his PhD on EU’s 2004 and 2007 enlargement. His current focus lies on energy-related topics, such as European energy policy, electricity transmission infrastructure, Trans-European Networks and renewables in the power system. His main focus lies on the interaction of Germany’s energy transition with the European Internal Electricity Market and its impact on Europe’s future energy system.

Hans Van Steen
EU Commission, DG for energy, Renewables and CCS policy

Hans van Steen is Head of Unit in the European Commission, DG Energy. He is responsible for Renewables and CCS Policy and holds a Master Degree in Political Science from the University of Århus, Denmark. Mr van Steen has been with the European Commission since 1989 and has been Head of Unit for Renewable Energy since June 2006. In this capacity, he was the Commissions representative in the negotiations of the Renewable Energy Directive and is currently responsible for overseeing the transposition and implementation of the Directive in the EU Member States.

Susanne Nies
Head of Unit, Energy Policy and Power Generation of EURELECTRIC

Susanne Nies is Head of Unit Energy Policy and Power Generation with the European electricity sector association EURELECTRIC. She is in charge of formulating high level strategy on energy policy and power generation, in line with the Board’s overall strategic guidance; leads 12 industrial working groups on power generating technologies as well as cross-sector issues like R&D, or Statistics and Trends.

German national by origin she holds a PhD and a habilitation from Bonn University, Berlin Free University, as well as Sciences Po Paris, in Political Sciences, as well as an economics degree from London School of Economics. Previously she was heading the French Institute for International Relations Brussels branch and was affiliated as a senior researcher to the energy programme of the institute; she has a long track of academic publication, affiliation to research and lecturing, as well as consulting.
Dries Acke
Policy Manager, Energy Strategy Center, European Climate Foundation

Dries Acke works with the communications team in the European Climate Foundation as Policy manager on EU energy issues. The last three years Dries has led the ECF’s flagship Roadmap 2050 project. Previously, Dries worked at Apple Inc where for five years he worked in the EMEA Public Affairs department. He holds an M.A. in Contemporary History from the Catholic University of Brussels and Leuven, and achieved a post-graduate in International Relations at the Karl-Rueprecht University in Heidelberg. As a Belgian and native Dutch speaker, Dries also masters English and French and has a good level of German and Italian.
Date: Thursday, March 21
Room: Ks48
Time: 6:30 - 8:30
Reception to follow

Sustainability Seminar

Contemporary Issues in Human Rights, Corporate Social Responsibility and Development

A seminar to introduce pertinent issues in sustainability and the context in regards to striking a balance between understanding and problem solving through various interactions between businesses, national and international political institutions and NGOs, a field that is of ever importance in the age of globalization.

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Abstract

We know that the way we consume natural resources and dispose of the goods produced from them is unsustainable. We need several more planet Earths if we continue along the current path of development. Solving this problem involves more than finding technological fixes. Unsustainability is also in large part a problem of coordinating the necessary social changes we have to make. We have to change the way we live, work, and eat. In order to bring about these kinds of changes we have to change a range of human behaviors, including not just consumer behavior, but also the behavior of scientists, teachers, policymakers and political leaders. The World Economic Forum’s 2012 and 2013 Global Risk Maps suggest that we should prioritize one particular category of human behavior: governance. At the center of the dense webs of global risks depicted on those maps is governance failure. Global governance failure is connected to all the other major risks, and it has especially strong connections to unsustainable population growth, critical systems failure, chronic fiscal imbalances, and rising greenhouse emissions. To solve the puzzle of sustainability, we need to solve the puzzle of governance failures. In order to do that we have to have some idea of what good governance is. “Governance” broadly defined is the process of making decisions that define expectations, verify performance, delegate power and distribute resources, good governance. Good governance, then, coordinates all of these elements in a way that enables organizations and their stakeholders to behave in ways that support the safety and well-being of humanity. Thus, good governance is the key to producing the changes in human behavior that need to occur for us to achieve the goal of sustainable production and consumption of goods and services. The fundamental human rights that are recognized as imposing binding legal obligations on all nation states are universally recognized as providing the basic guidelines for good governance. Human rights have for a long time been thought to be solely the concern of governments, leaving businesses free from such considerations. However, it is clear that businesses can no longer afford to concern themselves solely with their own internal governance systems and ignore the larger governance context in which they operate. They must pay attention to how their decisions and actions impact local and national governments’ capacity and willingness to respect human rights in order to support good governance and, ultimately, sustainable economic activity.
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