HEINRICH BÖLL STIFTUNG
ECONOMIC + SOCIAL ISSUES

E-PAPER

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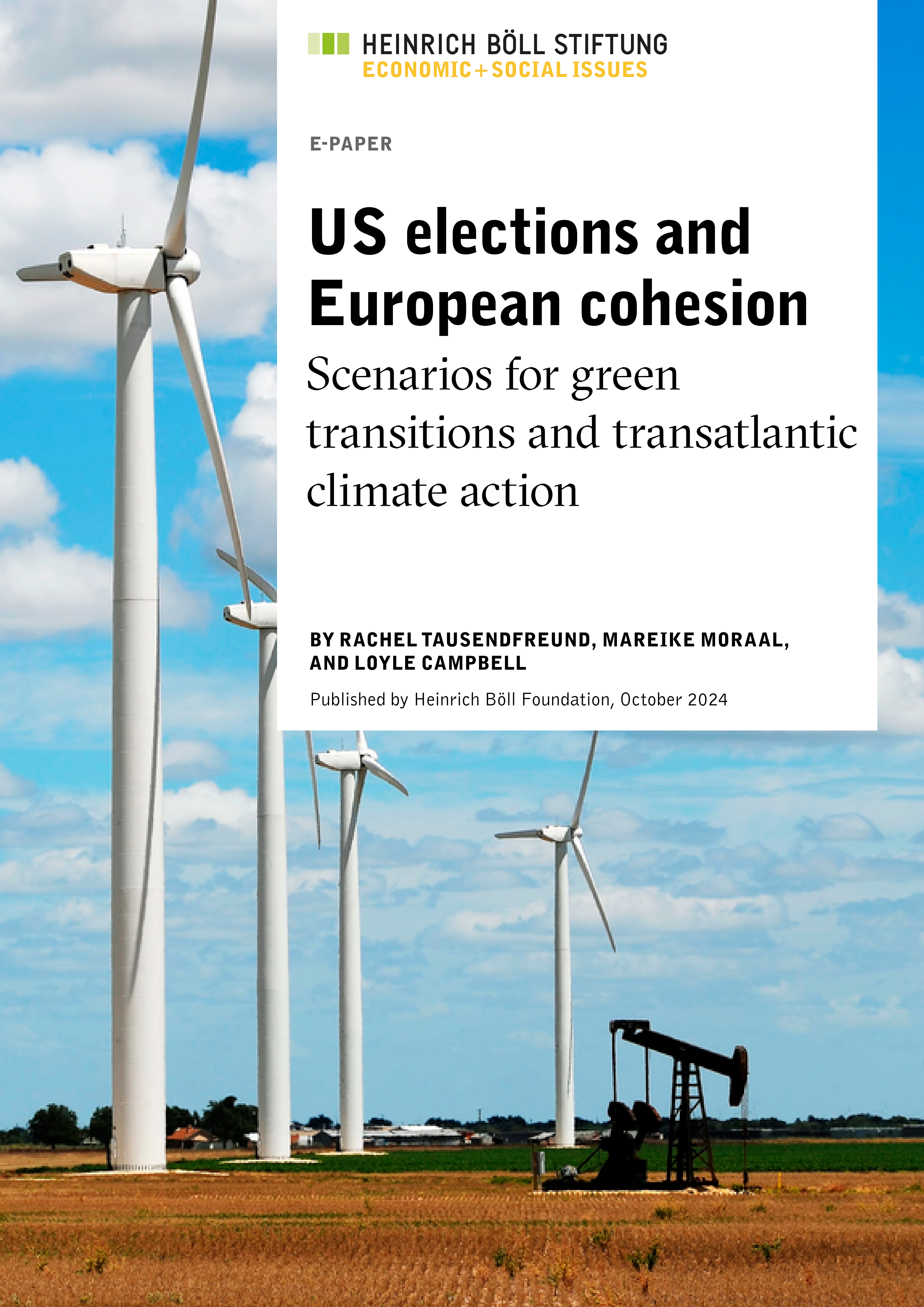
Published by Heinrich Böll Foundation, October 2024



US elections and European cohesion: Scenarios for green transitions and transatlantic climate action

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Introduction

The Biden administration has been arguably the greenest in US history, but the polls show that there's about a fifty-fifty chance that he will be followed by one of the least climate-friendly presidents. Climate policies have been a politically polarized issue for over two decades now, with Democrats supporting climate change mitigation measures, and Republicans opposing most and increasing fossil fuel production. This November, the choice at the ballot box will be a stark one for climate policies, with Kamala Harris likely to push for a green transition and climate justice, and Donald Trump expected to end climate measures and focus on energy supply and energy independence.

Climate protection is a global issue and the previous Trump presidency, and the George W. Bush presidency before that, demonstrated how difficult it is to make global progress without US support. For the EU, whose transition strategy is based on a carbon-pricing model, a like-minded leadership in Washingon is important to avoid a fossil-driven price competition by the United States. Of course, even between like-minded partners, differences in approach and national interest can still lead to tensions. A prominent example is the Biden administration's linkage of industrial policy with the green transition through the Inflation Reduction Act (IRA), which initially sparked fear in Europe of being on the losing end of a subsidies war.

An ambitious EU-US coalition is not just important for transatlantic climate initiatives, but also at a global level. Here, too, a stark contrast can be seen between COP meetings with joint, ambitious US-EU leadership and those in which the US obstructed or pulled out of the process altogether. To limit global warming to 1.5-2 degrees Celsius, as the Paris Agreement requires, global greenhouse gas (GSG) emissions must peak by 2025 at the latest, and decline by 43% by 2030. Climate damage already increasingly occurs, meaning that concrete climate finance commitments for mitigation, adaptation, and loss and damage in the Global South are gaining urgency. Ambitious mitigation and climate finance commitments are primarily the responsibility of industrialized countries per the Paris Agreement's Common but Differentiated Responsibilities and Respective Capabilities (CBDR-RC) principle, and will falter without united EU and US leadership.

Both on domestic and international climate action, the two US presidential candidates' views differ dramatically. Kamala Harris is a Democrat from California, a state usually well ahead of its peers on climate measures, and can be expected to set an ambitious climate agenda. Harris has acquired a clear enough record to bolster this assumption. As California's Attorney General, she sued big oil companies over water pollution, winning multimillion dollar settlements. As a senator, she co-sponsored the Green New Deal and a national climate bank, an idea which has been taken up and led to the recently announced $20 billion for «green bank grants» which will offer loans to businesses and homeowners for green investments, particularly targeting low-income neighborhoods. There are clear marks of Harris's influence in the climate legislation passed by the Biden administration, from electric school buses to water-infrastructure investments.[1] In her presidential campaign, however, she has not focused on or specified what her climate agenda will be, leaving some uncertainty on implementation.

Donald Trump, in contrast, has a clear record of dismantling domestic climate protections and walking away from international agreements. He has repeatedly questioned the validity of climate change (once claiming it was «created by and for the Chinese in order to make US manufacturing non-competitive», which he later said had been a joke). While the IRA's emphasis on domestic manufacturing should appeal to a Trump 2.0 administration, Trump's campaign statements and the Heritage Foundation's project 2025 provide strong evidence that he would try to dismantle big parts of it, weaken the Environmental Protection Agency, and once again exempt the US from international agreements such as the Paris Agreement.

But, of course, there are actors on each side of the partnership. Unlike in 2016, leaders across Europe believe that a second Trump term is possible, if not probable. Given this context, this paper explores how the EU and its member states could adjust their climate policies, depending on the outcome of the US election. We plot out potential Harris and Trump administration positions on two key elements of global climate action and possible European responses along the variables of unity and decisiveness.

The two specific issues we examine are

- Green (Industrial) Domestic Policies
- International Climate Agenda

We first present the likely positions of both a Harris and a Trump administration on these issues, based on published positions, expert analysis, and informed assumptions where necessary. Following this, we plot out three different European responses to US policies:

1. **Strong:** A united and decisive approach
2. **Split:** A deeply divided approach, some decisive actors, others hedge
3. **Stuck:** A united in indecision approach, where the EU holds together, but lacks the ability to act effectively.

1 *https://www.theguardian.com/commentisfree/article/2024/aug/05/kamala-harris-landmark-climate-change-law*

Note: This leaves us with a 2x3 matrix of outcomes based on whether the EU responds to Harris or Trump positions with a strong, split, or stuck stance. We also assume that either president would face a divided Congress, with a slim Republican majority in the Senate and a slim Democratic majority in the House of Representatives. This is in line with current projections, though margins are so slim that any result is possible. Finally, we have refined, tested and reviewed each of our scenarios in an online workshop with a group of experts working on European, US, and global climate policies.

A brief overview of outcomes:

Table 1: Green (Industrial) Domestic Policy

EU	**Strong**	**Split**	**Stuck**
Harris	EU and US moving forward on green transition, coordinating on IRA and CBAM implementation. Progress toward emissions targets steady, despite economic constraints.	US moves forward on IRA implementation, but EU divisions hinder strategic cooperation. EU divisions on the approach to China and on green regulations sharpen.	US moves forward on IRA implementation, but EU immobility hinders strategic cooperation. EU plans remain underimplemented and underfunded, approach to Chinese imports remains inconsistent.
Trump	US abandons green goals, except as they apply to market protections from China. EU achieves the beginnings of a robust, coordinated green industrial policy, balancing US alignment with strategic autonomy.	US abandons green goals, except as they apply to market protections from China. Inner EU divisions prevent decisive movement, growth remains sluggish, high energy prices persist, and ambitions for 2030 climate targets stall while anti-green and anti-EU sentiment grows.	US abandons green goals, except as they apply to market protections from China. Despite lofty Commission plans, funding fails to materialize. Growth remains sluggish, high energy prices persist, and ambitions for 2030 climate targets stall while anti-green and anti-EU sentiment grows.

Table 2: International Climate Agenda

EU	**Strong**	**Split**	**Stuck**
Harris	The US and EU manage only moderate increases in public climate finance, but proportion of grants is increased and coordinated EU and US leadership helps to push negotiations and targets globally further.	The international climate agenda is stuck, and climate finance is in a mess heading into 2028, despite rhetorical support from the EU and the US. Domestic climate progress and policies alienate and exclude the Global South as climate finance contributions shrink.	The international climate agenda is stuck, and climate finance is in a mess heading into 2028, despite rhetorical support from the EU and the US. Domestic climate progress and policies alienate and exclude the Global South as climate finance contributions shrink.
Trump	US abandonment of goals hinders global progress. But EU leadership ensures global agenda keeps moving, albeit at a decelerated rate.	Nearly all transatlantic coordination on strategic green-tech policies has disappeared, and inner EU divisions keep the bloc from shaping global climate agenda.	The road to COP30 is beleaguered by acrimonious geopolitics, nonetheless face-saving agreement keeps global climate policy on life-support.

1. Green (Industrial) Domestic Policies

1.1. President Harris, engaged but spending limited by Congress

Vice President Harris played a large role in negotiating the IRA, cast the deciding vote for it in the Senate, and has tirelessly championed it since. As such, a Harris administration is highly likely to continue IRA implementation, with a strong focus on public health and environmental justice through the Justice40 commitment.[2] Implementation will progress through and become more anchored in the Department of Energy and the Department of Treasury. Beyond that, it is unlikely that any significant new bills will pass due to a split Congress. Additionally, the Harris administration faces the risk of having measures struck down by the conservative Supreme Court - its recent decision to overturn the Chevron Doctrine, for instance, leaves Federal agencies with much less leeway to implement environmental regulation.

Internationally, the Harris administration will likely continue the Biden-Harris position of being open to cooperation with the EU on securing green supply chains and obtaining critical raw materials from other places than China. The administration will likely also be open to continuing coordination on Carbon Border Adjustment Mechanism (CBAM) and IRA implementation to prevent significant adverse effects for either the US or the EU economy and further a transatlantic green trade bloc (within the limits of trade law) - in essence forming a climate club.[3] However, Harris will likely focus less on the EU than her predecessor Biden, a dedicated, traditional transatlanticist, and instead focus more on emerging markets in Asia and Latin America.

1.1.1. President Harris + Strong EU response: More EU financing and strategic transatlantic approach

As the Harris administration seeks to push forward the IRA and US green industrial policy while keeping a firm eye on competition with China, the EU reaches new levels of strategic alignment. With dissensus over the China electric vehicle (EV) tariff firmly in the rear mirror, EU states make steady progress toward strategic alignment among themselves and with Washington that strategic green industries need to be protected and supported. In part, this is a reaction to the reality of Chinese products flooding EU markets (as US tariff

2 The Justice40 Initiative is a Biden administration policy that pursues the goal of ensuring that 40 percent of overall Federal climate, clean energy, and sustainable housing initiatives go to disadvantaged communities: *Justice40 Initiative | Environmental Justice | The White House*

3 *https://www.europarl.europa.eu/RegData/etudes/IDAN/2023/740087/IPOL_IDA(2023)740087_EN.pdf*

barriers remain higher). At the Trade and Technology Council and elsewhere, EU and Member State leaders and their American counterparts continue to make progress in coordinating tech-trade issues, from supply-chain security to critical mineral supplies. At the same time, Germany coordinates with the European Commission on outreach to the Chinese and makes modest progress toward volume cap concessions, keeping a trade-war spiral from worsening.

In a compromise to balance the vast difference in national subsidies to green industry, strong subsidy packages are created at the European level, driven by the Commission. This is accompanied by steps to improve the functioning of the EU's capital market, which will enable growth, relaxing some of the pressure of transition measures. In detail: the EU's Recovery and Resilience Fund, which subsidizes transition projects in the member states and is meant to expire in 2026, is extended, and signs look positive for over €100 billion for climate investment to be included in the next EU budget (Multiannual Financial Framework). The InvestEU programme that facilitates investment in companies by providing EU financial guarantees gets additional capital, while the Commission agrees to focus on more consistent implementation of regulation across the bloc and announces steps to lower the regulatory burden, especially on small and medium-sized enterprises (SMEs). Member states also agree to increase capital in the European Investment Bank (EIB) and loosen rules on transformation-related spending, making it possible to lend more money in relation to the existing capital of the bank. Importantly, toward the end of 2025 long-awaited capital market reforms seem in reach, in particular harmonization of national rules on insolvency and an agreement to Europeanize capital market supervision. German reluctance to this is won over by French agreement to take an EIB first approach to investment capital, as well as a hard-fought consensus among Germany's Social Democrats (SPD), Christian Democrats (CDU), and Greens.

This scenario leaves the US and the EU working in a more coordinated way in 2026, with domestic green industry support and harmonization in the EU steadily moving forward. Continued IRA and CBAM implementation are coordinated. The Office of the United States Trade Representative (USTR) and the European Commission Directorate-General for Trade (DG Trade) under new leadership establish an easy working relationship. Despite continued sluggish growth and challenges of high energy prices, the EU has found a greater degree of strategic alignment around the question of industrial policy, while still being more reserved in its provision of subsidies and other incentives than the United States. Similarly, outreach to China is coordinated within the EU and transatlantically, thwarting any Beijing efforts to create transatlantic rifts or to flood the European green-tech market.

1.1.2. President Harris + Split EU response: Competing strategies emerge in the EU

As the Harris administration seeks to push forward the IRA and US green industrial policy, mindful of continued competition with China, EU disagreements over the right approach amplify. Dissensus over the China electric vehicle (EV) tariff sets off a chain reaction, exacerbating divisions. China's retaliatory tariffs target first France and then Italy and Poland. Political divisions in Germany grow over the EU and US approach to China, with many in the SPD angered over Germany's loss of influence in the EU while the CDU and Liberals (FDP) heighten their anti-EU campaigning in 2025, both because of industry discontent, and in an attempt to peel away voters from the far-right anti-EU party Alternative für Deutschland (AfD). Continued sluggish growth, high energy prices, and political wins of eurosceptic, nationalist parties at member state level increase resistance against further green policies and regulations at the EU level.

The Commission continues to press for increased EU funding for transition policies, but Germany and a coalition of frugal members, particularly the Netherlands and the northern countries, resist. Subsidies continue at the national level, with increasing disparity and dwindling effectiveness, damaging the Single Market. The Recovery and Resilience Fund is left to expire, with some unspent funds. Disputes over climate investment budgets in the next Multiannual Financial Framework grow rancorous, particularly between southern member states on the one hand, and wealthier, more frugal member states on the other hand.

Transatlantic and inner-EU divisions grow over a green-tech approach to China. Germany doubles down on resisting tariff measures and Chinese exclusion efforts and reaches out bilaterally to distance itself from the Harris administration and Commission approach, which continues to try to build consensus toward a strategic-competitive approach to Beijing. EU countries targeted by Beijing sanctions (especially France and Poland) grow increasingly vocal in their criticisms of Berlin, feeding in both countries anti-German and anti-EU sentiment.

In this scenario the US and the EU close 2026 with growing divides over domestic green industry support and the approach to China. Within the EU, strategic divisions both over the proper approach to China and green industry policy are sharper and more heated. An open revolt over EU regulations and Commission overreach is gaining force, led by the Dutch PVV and other populist/nationalist parties but increasingly also center-right parties including the German CDU and FDP and French President Macron. EU tariffs on Chinese EVs have little effect, while China's retaliatory tariffs are having an effect on France, Italy, and Poland, as the entire EU faces sluggish growth and high energy prices. EU progress toward meeting its 2030 climate targets stalls. A lack of strategic coordination within the EU, and as a result also with the US, means that member states' and transatlantic policies toward China and green-tech drift apart.

1.1.3. President Harris + Stuck EU response: EU transition slows while economic costs remain high

The Harris administration develops US green industrial policy and looks to build transatlantic agreement and coordination on green-tech and China policy, and puts new emphasis on the EU-US Trade and Tech Council (TTC) early in the administration. The Commission and member states express excitement but talks lead to little action. Despite the inability to stop the Chinese EV tariffs, a minority of member states continue to resist a stronger Europeanization of industry policies and a tougher approach to China. Domestic politics in member states are a big part of the problem as slow growth leads to more resistance against the Commission's green policies and the pace of transition. As a result, mired in internal disagreement and inaction, the EU can't effectively coordinate with the US. The US, frustrated with European in-fighting and standstill, turns to other strategic partnerships in Asia and Latin America, instead.

The Commission continues to press for increased EU funding for transition policies, but Germany, the Netherlands, and other frugal members resist. As a result, Commission efforts stall. The Recovery and Resilience Fund expires, with some funds unspent and the climate investment budget in the next Multiannual Financial Framework sits at a symbolic €30 billion. Despite initially ambitious plans from the Commission, no agreement can be reached on fundamental issues necessary to make significant progress toward capital market reforms.

Transatlantic and inner-EU divisions over a green-tech approach to China remain. Germany, the Netherlands, and Finland, among others, continue to push against more protectionist measures, while the US builds out its industrial strategy. EU countries targeted by Beijing sanctions (especially France and Poland) grow increasingly vocal in their criticisms of Berlin, feeding in both countries anti-German and anti-EU sentiment.

In this scenario the United States and the EU close 2026 with growing divides over domestic green industry support and the approach to China. Within the EU, strategic divisions both over the proper approach to China and green industry policy appear unbridgeable. The Commission continues to draft ambitious plans, but everything remains underfunded and under-implemented, while criticism over Commission regulation and the economic costs of transition grows.

1.2. Trump 2.0 with a slim GOP Senate majority, Democratic House majority

A second Trump administration is expected to try to burn down the IRA. This will be limited by the fact that the IRA has a strong legal basis and appropriates funds for the next ten years, and by the fact that Republican states hugely benefit from the IRA's stimuli - both economically, and local Republican politicians, touting new jobs and economic growth, also politically. In administration guidance, though, based on Trump campaign statements and the Heritage Foundation's Project 2025, the expectation is that any kind of environmental/climate justice, diversity, equity and inclusion (DEI), and other social measures (such as labor protection) will be cut out as much as possible or simply not implemented. Under the guise of «technological neutrality», renewable energy stimuli will be opened up to include fossil energy sources wherever possible. Overall, the protectionist elements of the Bill are likely to be strengthened, the environmental parts weakened, and support for fossil fuels put in wherever possible. Trump's threats to put in place 10-20% across the board tariffs, combined with a generally more aggressive, unpredictable stance towards Europe, place immense strain on transatlantic relations and coordination.

1.2.1. Trump 2.0 + Strong EU response: More coordinated EU green industrial policies paired with international liberalization

In 2025, with Trump's re-election reshaping US trade policy and renewed fears of EU deindustrialization, the EU takes decisive steps to reinforce its green industrial base. Facing potential US tariffs on EU goods and heightened protectionism, the EU seeks strategic autonomy and alignment among member states. The European Commission pushes forward with the Green Deal Industrial Plan, mobilizing resources from an extended Recovery and Resilience Fund and allocating over €100 billion for green technology investment in the new Multiannual Financial Framework.

The EU, unified and with a strong Commission, takes a transactional approach towards the Trump administration, offering a few politically more than macro-economically important concessions (such as the steel tariffs) in exchange for waiving the planned blanket tariffs. This creates disagreement in the Trump administration, with the Republican party splitting into traditional free trade and populist isolationist factions. This opens the door for the EU to extract economic concessions while maintaining its strategic autonomy.

To counter the influx of Chinese green-tech products, the EU expedites state aid rule flexibility, allowing targeted subsidies for sectors like EVs, solar, and hydrogen. Germany and France lead in creating a coordinated approach, culminating in the expansion of InvestEU and European Investment Bank resources, with eased restrictions enabling larger loans for sustainable infrastructure. The EU also completes capital market reforms, harmonizing national rules on insolvency, thus enhancing financial resilience.

To mitigate US pressures, the EU strengthens supply chain resilience for critical minerals and components and the circular economy, fortifying alliances with like-minded partners, including Canada and Japan. It takes up the leadership role left by the US and presses forward with negotiating the Global Plastics Treaty, and with Berlin and Paris' diplomatic outreach to Beijing, the EU navigates trade relations cautiously, securing minor concessions that prevent a full trade war. Meanwhile, the EU is able to finalize the trade agreement with Mercosur and India.

In late 2026, the EU has achieved the beginnings of a robust, coordinated green industrial policy, balancing US alignment with strategic autonomy. With a strengthened internal market, harmonized financial regulations, and cohesive support for green industries, the EU stands more resilient against external pressures.

1.2.2. Trump 2.0 + Split EU response: EU faces US tariffs, pulled into different camps

As Trump's administration ramps up tariffs and protectionist measures in 2025, EU divisions deepen over how to respond. Unable to muster a strong coordinated approach to Trump's tariff threats, countries bilaterally seek to gain exemptions for their key export industries, with minor success. Furthermore, the Trump administration raises China-focused tariffs and strict measures are taken against trade partners who might be conduits to Chinese goods. Inner-EU divisions, among member states and between member states and a Commission that wants to be tougher on China grow, as Germany cements its status as the most China-friendly big EU power. Instead of banding together, member states scatter, some seeking to align with Trump on protective industry policies, while others grow more China-friendly. National political pressure further contributes to this development: Germany's 2025 election increases campaigning by the CDU and FDP against European green transition targets and measures. French leaders, failing to build a EU coalition, and Visegrad group leaders cozying up to Trump, openly criticize Berlin's dealings with Beijing, fueling anti-German sentiment in these countries.

The Recovery and Resilience Fund expires, and member states clash over future climate funding. With Germany, the Netherlands, and other fiscally conservative nations blocking proposals for new EU-wide climate investments, climate goals become fragmented. National subsidies continue, but with stark disparities, reducing overall effectiveness and increasing economic inequality within the EU.

By late 2026, nearly all transatlantic coordination on strategic green-tech policies has disappeared, and inner EU divisions keep the bloc from acting decisively abroad. Europe's growth remains sluggish, high energy prices persist, and ambitions for 2030 climate targets stall. Within Europe, anti-EU sentiment spreads, driven by public frustration over economic stagnation and the perceived failure of green policies. Internal divisions over

China and green industry strategies sharpen, leaving the EU vulnerable to external pressures and diminishing its influence on the global stage.

1.2.3. Trump 2.0 + Stuck EU response: EU maintains current level of unity rhetorically but action on plans stalls

Facing an adversarial US administration with a zero-sum mindset, uninterested in transatlantic coordination or cooperation on trade and green industrial policy, the EU flounders. It continues its rhetoric on the importance of international coordination of green transition implementation and dialogue through climate clubs and forums such as the TTC. It is unable, however, to fill the leadership vacuum left by the US with anything more than rhetoric.

Within the EU, the uncertainty brought by an unwilling partner across the Atlantic is intensified by several factors. First, approaching national elections in various member states, most notably Germany in 2025, leave politicians (particularly in the European Parliament and the European Council) unwilling to make compromises or take any decisions that might be unpopular in the short term. Secondly, given that without the US as a reliable NATO partner EU countries have to ramp up their defense spending, conflict over EU spending intensifies, and pushback against ambitious green industrial policy and climate spending grows.

By late 2026, transatlantic coordination on green trade and industrial policy exists in name only. Member states' indecisiveness and risk averseness has left the EU clinging to the strategy it employed vis-a-vis the Biden administration, while circumstances have changed radically. Internally, the EU's ineffectiveness leaves it vulnerable to increasing anti-EU sentiment. Externally, the EU's and US' absence from the world stage open the door for other actors, such as China.

2. The International Climate Agenda (G7 and COP)

2.1. Harris with a focus on domestic climate action

Harris has been an outspoken champion for international climate measures and climate justice. She was one of the few Democratic primary candidates in 2019 who explicitly noted the need for more and better climate finance. However, to win over moderate voters, Harris has since focused on domestic climate action, if at all, in her campaign. Moreover, a Harris administration will be limited by a Republican Senate in terms of concrete contributions. More than actual US financial pledges, declarations and initiatives to raise private capital are to be expected.

2.1.1. President Harris + Strong EU response: Inching towards progress

Building on the conclusion of COP29 at the end of Biden's term, which agreed on slightly more ambitious climate finance goals, the Harris administration promises to fulfill the ambitious climate actions outlined in the US Nationally Determined Contributions. Concerted US and EU leadership at COP30 and in the G7 and G20 on sustainable development and climate finance, and coordinated cooperation with Brazil bring strong results.

While Congress continues to allocate too little directly to climate finance, the Harris administration is on track to meet a $12 billion pledge by pushing all the agencies involved in international financing to prioritize scaling climate investments. The EU and its member states continued to deliver around €30 billion. While the amount has not increased, the EU manages to increase by 15% the amount consisting of grants, rather than loans. The grant proportion is particularly strengthened in loss and damage support.

While still under-delivering on finance, particularly when considering historic emissions and the CBDR-RC principle, strong and coordinated EU and US leadership helps push negotiations and targets globally further. Strategic green projects with important middle powers, for instance via the Just Transition Energy Partnership frameworks, begin to deliver more substantial climate projects in 2026. The EU also successfully negotiates accommodations on CBAM with the Global South, winning good will and climate engagement from Brazil, India, and Indonesia, to name a few.

2.1.2. Harris + Split EU: Weak transatlantic cooperation, political pressure against climate finance

Given its internal political constraints and focus on domestic climate, the Harris administration presents its IRA as a major achievement in fulfilling its NDC. It argues that its investments in clean tech will make the green transition cheaper globally. Despite positioning the US as a climate leader in international forums, the Harris administration is unable to make any further climate finance pledges. Europe is unable to form a coherent counter to it and this drives divisions within the block.

Divisions within the block over measures to combat Chinese green-tech imports, as evidenced by the Chinese EV tariff fight, grow sharper as the Harris administration continues its strong tariff policy line, directing more Chinese imports to Europe. Furthermore, populist/nationalist governments in the EU, including Italy, Denmark, Austria, and the Netherlands, push back on the international climate justice agenda as it comprises several unpopular agendas: climate action, EU power, and foreign aid. Political pressure to push back against Brussels climate policies grows also for Germany's Social Democrats, Christian Democrats, and Liberals as anti-climate and anti-EU parties AfD and Bündnis Sahra Wagenknecht (BSW) remain strong and economic growth remains weak. After the 2025 election places Friedrich Merz and the conservative Christian Democrats leading a new German government, Berlin shifts spending priorities and reduces Germany's foreign climate and development aid, leaving an even bigger gap in international climate finance. The phaseout targets for internal combustion engines re-enter the debate.

Infighting prevents the EU from launching coherent agenda-setting initiatives as it had in previous COPs. Reminiscent of COP15 at Copenhagen, the US and individual EU member states take stronger leadership roles, with the EU as more of a follower. This leaves the EU with less bargaining power.

In this scenario, the international climate agenda is stuck and climate finance is in a mess heading toward 2028, despite rhetorical support from the EU and the US. As the US has never come near the $100 billion climate finance targets, EU member states like Germany pulling funding leaves climate funding grossly underfinanced. While Harris pumps up climate action rhetorically, countries of the Global South, led by India, flag Western hypocrisy, especially given the increasing nationalization of climate action through shoring up and protecting domestic green-tech industries through the CBAM and IRA, neither of which currently have any meaningful provisions for the Global South.

Post-COP30 this leaves the countries of the Global South with Western promises with no funding, and no effective recourse at the international level. They are particularly irritated that the US professes leadership but does not deliver in budgetary terms. EU funding fails to fill the ever-widening gap between money and rhetoric as some EU member states also reduce their own pledges.

2.1.3. Harris + Stuck EU response: Both sides hold to insufficient status quo

The Harris administration pushes forward with the IRA and green-tech investment, it continues on track to meet climate targets and engages in the global climate agenda. But a continued lack of significant climate finance deliverables and emphasis on domestic subsidies undermine the message. Europe continues its commitment to global leadership and is able to shape COP negotiations in a positive way, but maintains a status quo of financing, which falls far short of what would be necessary.

The politics around the climate agenda become more contested: Populist/nationalist governments in the EU, including Italy, Denmark, Austria, the Netherlands, push back on the international climate justice agenda as it comprises several hated agendas: climate action, EU power, and foreign aid. Furthermore, political pressure to push back against Brussels climate policies grows also for Germany's Social Democrats, Christian Democrats, and Liberals as anti-climate and anti-EU parties AfD and BSW remain strong and economic growth remains weak. Despite these pressures, and even with Friedrich Merz and the conservative Christian Democrats leading a new German government, Berlin maintains into 2027 its trimmed 2024 foreign climate and development aid budget (which saw a 20% cut in humanitarian aid from 2023, and a 57 billion euro cut in the Climate and Transformation Fund 2024-27) while other EU governments also struggle to maintain 2024 spending levels. This leaves the US and EU far short of its obligations in line with the Common but Differentiated Responsibilities and Respective Capabilities principle in the UNFCCC.

In this scenario, the international climate agenda is stuck and climate finance is stagnant at 2024 levels, despite rising needs and rhetorical support and committed attempts to lead by Washington and Brussels. Lack of growth in public climate financing from developed countries leads also to a lack of growth in private financing, leaving totals stuck around the $100 billion mark. Furthermore, loans continue to represent too large a share of spending. While Harris pumps up climate action rhetorically, countries of the Global South, led by India, flag Western hypocrisy, especially given the increasing nationalization of climate action through shoring up and protecting domestic green-tech industries through the CBAM and IRA, neither of which currently have any meaningful provisions for the Global South.

Post-COP30 this leaves the countries of the Global South further disillusioned with Western promises with no funding. They are particularly irritated that the US professes leadership but does not deliver in budgetary terms. EU funding fails to fill the ever-widening gap between money and rhetoric as some EU member states also reduce their own pledges.

2.2. Trump 2.0: An anti-climate, tough on China, agenda

A Trump administration is sure to pull out of the Paris Agreement and to obstruct any kind of G7 climate discourse. His strong «America first» narrative and railing against any kind of foreign aid mean that not just climate finance, but any kind of assistance to the Global South is on the chopping block. Overall, international climate cooperation suffers a strong blow as US inaction and obstruction start a negative cycle of staving off contributions until others contribute («if they aren't, neither are we»). The EU's relative ability to maintain a position on international climate action is predicated on three primary factors. First, and foremost, is the bloc's ability to mitigate President Trump's most destructive impulses. Mr. Trump will be disruptive one way or another. Yet, these disruptions might be managed if the President can be convinced that outcomes would boost his personal political brand. Second is the bloc's internal cohesion and its ability to quickly reconcile industrial policy without disrupting climate targets. Gridlock on green industrial policy challenges will draw considerable political bandwidth and very likely pull attention away from many other climate issues – such as international climate justice. Third is the bloc's ability to engage constructively with major partners on favorable political terms. This can mean China but does not necessarily have to as other regional powers have significant voices on the topic. With these points considered it should however be noted that international climate action will face a qualitative downgrade from current dynamics under any iteration of a second Trump presidency.

2.2.1. Trump 2.0 + Strong EU Position: EU keeps agenda alive, barely

In the best-case scenario of a second Trump presidency, American climate policy weakens but the EU can mitigate the worst possible outcomes while remaining internally cohesive enough to rally other major powers to be receptive to a climate action and climate justice agenda.

This scenario sees the US withdraw from only the Paris Agreement on Trump's first day in office. While this undoubtedly damages American credibility, the transatlantic relationship, and the climate agenda more broadly, the disruption to international climate policy stops there, as the EU convinces the President to have the US remain at least passively involved in the UNFCCC processes. In this case coordinated EU leverage further moderates the most disruptive measures on China and Ukraine. In particular, Germany and Poland praise American liquid natural gas (LNG) exports, even though imports remain relatively unchanged. The President uses this praise as a domestic political tool.

By avoiding any truly major disruptions the EU quickly resolves enough internal disputes on green industrial policy between Germany, France, Poland, and Italy. In doing so, the EU has enough internal cohesion for the Commission to continue prioritizing other elements of the climate agenda – such as international climate justice. The outcomes of the German election in 2025 support this, as even though there was a change in government, the CDU/

CSU led coalition remains committed to key justice goals outlined in the national Strategy on Climate Foreign Policy.

Despite the EU's cohesion, Europe still struggles to fill the American gap in international climate policy. The second American exit from Paris leaves many countries bitter, yet coordinated diplomacy allows the EU to garner support from a modest grouping of proactive and constructive mid-sized partners. This groups-focused diplomacy with Brazil on the road to COP30 is able to produce a meaningful outcome that China and India support. China seizes this opportunity to boost the country's perception as a leader on climate in the backdrop of American absence. While this rhetoric draws ire from an isolated Trump, COP30 is still able to produce non-negligible results.

Going into 2027 the situation for climate action is qualitatively worse than it was leaving 2024. However, a strong and proactive European position has prevented the issue from being frozen or dropped, thus some progress has been made, albeit at a decelerated rate.

2.2.2. Trump 2.0 + Split EU Position: Climate action in disrepair

In the fractured scenario of a second Trump presidency, American withdrawal on international climate policy and severe foreign policy decisions keep EU member states occupied as the climate action agenda is largely derailed.

In this scenario the US announces plans to withdraw from the UNFCCC on President Trump's first day in office. Treaty withdrawal takes one year, and at some point throughout this time President Trump announces that the US will also immediately withhold funding for the UNFCCC. These outcomes are shortly followed by efforts by Trump to force a settlement in Ukraine and a rapid reignition of US trade conflicts with China and the EU as the EU is unable to effectively leverage American LNG imports.

Facing these conditions the EU oscillates in a perpetual state of disunified reaction to multiple ongoing crises. Jarred with a barrage of disruptions, the EU and member states struggle to set a clear political agenda for internal problems or a common approach for EU foreign policy. In such a setting the EU struggles to sustain momentum on the climate agenda more broadly, while also downgrading climate action from being an immediate priority. These ongoing disruptions feed into the 2025 German election, the winner of which all but walks away from the previous government's climate foreign policy strategy.

In such a context the severity and nature of President Trump's actions have destroyed American credibility on climate action, and the lack of funding has had a particularly profound impact as the UNFCCC is immediately unable to pay many staffers. With its focus largely elsewhere, the EU is fundamentally incapable of filling this gap. The combination of this breeds resentment in the international community – particularly from Brazil which no longer has sufficient resources or political capital to plan an effective COP30.

Without sufficient support and in a generally acrimonious setting COP30 is unable to produce an agreed resolution.

Going into 2026 the US formally finishes the one-year withdrawal process from the UNFCCC. US absence leaves a financial and credibility gap within the UNFCCC more broadly – which puts climate action in a general state of disrepair as various issues are regarded as having a higher priority. This can be expected to continue for the immediate future.

2.2.3. Trump 2.0 + Stuck EU Response: Negotiations continue, progress stalls

In the stuck scenario, a second Trump administration undermines American climate policy and utilizes an erratic and transactional foreign policy that severely disrupts the EU. Robust member states can still articulate leadership on climate action and climate justice, but they ultimately lack the weight to crystalize substantive outcomes.

In this scenario, the US announces plans to withdraw from the Paris Agreement on President Trump's first day in office and commissions a 100-day review of American engagement in the UNFCCC. A European diplomatic intervention staves off complete withdrawal from the latter; the report itself is generally inconsistent with science and is used to advance grievances that antagonize US-China relations. Threats to withdraw and freeze funding resurface and generally frustrate the climate agenda.

The more erratic and transactional American foreign policy sees Europe need to prioritize favors over competing challenges. While Trump's favorable view of American LNG exports gives the EU some political leverage, this only goes so far, and the EU is forced to concede on major issues – such as being more hawkish on China. The inability to organize competing priorities fosters disunity, making the European institutions more cumbersome than helpful. Despite this, some more robust member states like Denmark and Sweden still articulate strong leadership on the climate agenda. On occasion, the new German government gives weight to rapidly advancing these initiatives. However, Germany continues to offer as many problems as it does solutions – especially for the EU's internal politics.

In this context the road to COP30 is beleaguered by acrimonious geopolitics. The general belligerence of the Trump administration alienates countries who resent American hypocritical climate policy. The mood sticks and the international community struggles to conceptualize a climate action agenda that excludes the biggest historical emitter. Despite this, Brazil drafts an ambitious climate justice program for COP30. The agenda garners support from several other mid-sized countries, such as Germany. Yet the agenda fails to build critical mass. Countries like India will not participate in measures where the US is not held accountable, while others like the EU are inundated with bigger issues. Overall, this undermines any substantive provisions, which sees them diluted in the final text.

Going into 2026, some analysts would argue that COP30 was a success. However, the wording adopted remains modest at best. Such outcomes generally leave climate action in a state of limbo, if not stagnation.

3. Conclusion

Even in the «best» scenarios there are challenging times ahead for climate policy. Despite the increasing urgency of climate change and the undeniable need for more aggressive mitigation and adaptation efforts, and more funding for both, the domestic political challenges are daunting. This is evident on both sides of the Atlantic in our scenarios. With a Trump administration, the US will cease to be a climate leader, both at home and abroad. State and local leadership, as well as sectoral deals, might soften this blow, but are unlikely to fill the vacuum. Moreover, the scenarios reveal that it is far from certain that the EU will be able to fill the leadership gap. What the scenarios also reveal is that, when facing acute challenges, a status quo EU and a split EU end up with similar results.

In the area of green domestic policy, there certainly is room for positive movement and inventive coordination that would move the EU-US partnership forward, leading to a coordinated green growth agenda and both partners on track to meet climate targets. This positive outcome, however, becomes much less likely with either a Trump administration or an indecisive or divided EU.

Unfortunately, neither we nor the group of climate experts consulted in our workshop could imagine a plausible scenario including ambitious new levels of climate finance from the EU and United States, even under a Harris administration, due to domestic constraints. The best-case scenario essentially sees the US and EU managing together to maintain the status quo – despite climbing demands and lacking US and EU contributions to begin with. The political challenge to climate leadership in the US is obvious in the November election, but also on the EU side, (international) climate action and climate justice spending are growing controversial, especially in the midst of a challenging environment of slow growth and the Russian war of aggression against Ukraine. Yet, the scenarios also reveal opportunities for impactful EU leadership, emphasizing that the costs of inaction and division are higher. This alone is ample reason to fight for a strong EU commitment to a global climate agenda, for either US election outcome.

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Imprint

Publisher: Heinrich-Böll-Stiftung e.V., Schumannstraße 8, 10117 Berlin
Expert contact: Sabine Hämmerling, Division for Transatlantic Relations
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Place of publication: *www.boell.de*
Publication date: October 2024
Proof reading: Christopher Hay
Design: S. Langer, feinkost Designnetzwerk (*www.feinkost-design.de*)
Cover: © Depositphotos – IMAGO

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