European Young Leaders

friends of europe

Transatlantic Climate Dialogue series

A whole-of-society approach is needed to tackle climate change, as the US and the EU raise ambitions to reach net-zero by 2050. **A new generation of young entrepreneurs** is emerging on both sides of the Atlantic.

Throughout 2022, we gathered innovators in climate tech to exchange views on potential solutions. Highlighting their stories as a source of inspiration, we aimed to foster a transatlantic dialogue among young entrepreneurs that **equip citizens and communities with solutions to fight climate change.**

The culminating roundtable was held at the European Young Leaders (EYL40) seminar in Lisbon with European and American climate entrepreneurs, innovators, public officials and energy industry figures.

What tech solutions exist for individual climate action?

If 1bn people take practical action in their own lives, they could reduce 20% of global carbon emissions.

Climate tech can help consumers gain a better understanding of their individual carbon footprint and empower them to take climate action. Apps are on devices that we carry all the time, making them intimate, easily accessible and connected to our lifestyle.

Benefits and options

Climate tech offers tools to offset emissions via monthly subscriptions; reduce carbon footprints by increasing climate literacy; multiply impact by through advocacy; and tackle food and household waste by connecting with neighbours.

Challenges

Behavioural change
Little awareness that money can be a tool to intentionally make change. Lack of carbon intuition, management.

Diversity
Difficulty for female-founded, tech-for-good businesses to find initial capital.

Data
Inconsistent and no data standardisation across geographies.

> *There are few opportunities to vote before 2030, but we have over 8,600 opportunities to spend money before that. And each is a way to reduce emissions. [...] That is the hidden superpower we all have.*
>
> – **Sanchali Pal**, Joro (US)

> *It is a myth that offsetting drives bad behaviour – clear data supports that the opposite is true. We have thousands of users and can see clearly that footprints go down, not up.*
>
> – **Markus Gilles**, Klima (Germany)

> *With 6mn people having used our app, 50mn portions of food and 5mn non-food items were shared, which is the equivalent of taking 150mn car miles off the road and saving 7.3bn litres of water in the process.*
>
> – **Tessa Clarke**, Olio (UK)

How can clean tech help decarbonise the transport sector?

The transport sector accounts for 37% of global CO2 emissions from end-use sectors. In 2019, it was responsible for 57% of the world's oil consumption.

Impact and potential

Cling Systems ensures that end-of-life batteries are used as stationary storage or 'mined' for their raw materials. Vianova has introduced more cycling lanes and dedicated mobility hubs and fewer cars on the road in 60 cities. BusUp services result in lower costs per passenger and thus fewer environmental impacts. Ampaire has flown over 20,000km hybrid-electric already.

Challenges

Employee benefits.
Tax deductions for sustainable commuting are not common in Europe, especially in areas with no access to public transportation.

Data regulation
Data sharing remains a challenge from a regulatory standpoint. There is a lack of education in the European market about the digitalisation of traffic management and enforcement, as well as mobility sharing.

Second-hand markets
An affordable, scalable EV battery trading platform model is missing.

Legislation
Most sustainable transport legislation does not include aviation.

We are closing the circular economy loop in the Lithium-ion battery value chain, by building the world's first online mine.

– William Bergh, Cling Systems (Sweden)

We are bringing the electrification trend into aviation, by upgrading existing airplane types with hybrid-electric propulsion systems.

– Kevin Noertker, Ampaire (US)

Through digitalisation, we allow companies in the same areas to share transport services.

– Eva Romagosa, BusUp (Spain)

We allow cities, public transport operators and other mobility providers to exchange information on traffic and kerbside management, helping visualise ways to make transport safer and greener.

– Thibaud Febvre, Vianova (France)

What is climate FinTech and how can it help tackle climate change?

To meet the objectives of the Paris Agreement, we need to invest $3trn to $5trn annually for the next 30 years.

Climate fintech can play a significant role in making that happen. A vibrant ecosystem of over **400 start-ups** is focusing on finance processes related to climate adaptation and mitigation.

Benefits and impact

By lowering the early-stage investment threshold in funds, a 'mass-affluent' market of people with a net worth of €100,000 to €10mn is unlocked to power breakthroughs in climate technology. People are empowered to join the ranks of heroic entrepreneurs and innovators and invest directly in early-stage climate technology companies that deploy technologies like solar or wind at community scale.

Challenges

Overregulation

Regulatory requirements intend to protect consumers, but sometimes the burden is unnecessarily high, especially on small companies.

Lack of harmonisation

There is a lack of harmony in rules and regulations in every market.

Grabbing attention

'Earning the eyeballs' it takes to scale fintech companies in today's attention economy is challenging.

We invest in venture capital and growth equity markets because we believe that is where we can have the biggest impact.

– **Jacqueline van den Ende**, Carbon Equity (The Netherlands)

We give individuals the ability to participate in community financing from as little as $100.

– **Franz Hochstrasser**, Raise Green (US)

We redirect money towards solutions such as low carbon transport, green energy, and sustainable agriculture.

– **Maud Caillaux**, Green-Got (France)

How can clean tech help decarbonise the transport sector?

1 **Transatlantic cooperation** between lawmakers on areas of common interest, such as cutting methane emissions and encouraging innovation, should be fostered.

2 **Change the narrative:** we need a new discourse that is less about the punishment of people for their actions and more about common endeavour, benefits of the transition and building a better future.

3 Tackle the **influence of the fossil fuel industry** in delaying progress and redirect finance from fossil fuels to clean technology, all while acknowledging the impact of its own externalities.

4 To take full advantage of the energy transition, Europe and the US needs a **workforce with the right skills.** Policymakers must identify the skills needed and encourage their development.

5 Europe, the US and others need to work together to **harmonise regulations for new technologies** as innovation bears fruit.

6 Increase Europe's **energy security and reduce dependence** on other countries, such as Russia and China, not just by increasing the installation of renewable energy but by building alternative supply chains for key minerals and materials.

7 Focus on the **co-benefits of climate action** in areas such as public health, resource efficiency, economic growth and job creation.

8 Europe should not forget other parts of the world when it formulates its climate policies. The **just transition** should focus not just on workers in Europe but also on those in Global South countries that are already suffering most from climate change.

This series is part of Friends of Europe's European Young Leaders (EYL40), a programme that connects young leaders throughout Europe to build bonds across nationalities, areas of work, and political and ideological viewpoints.