

INCEPTION PAPER

**APPUNTI
DI
CAMBIAMENTO**

NOTES ON CHANGE

ECCO

I N D E X

ABOUT US

WHY ECCO

ITALY NEEDS A STEP-CHANGE

HOW WE WORK

WORK PROGRAMMES

ECCO

A B O U T U S



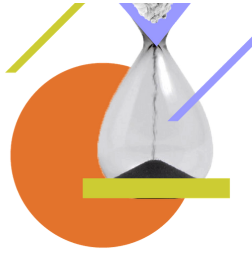
ECCO's model ensures the independence of our activities, allowing us to act in the public interest apart from economic interests.

ECCO was founded in early 2021 as Italy's first independent, non-profit think tank on climate change and energy. Its mission is to accelerate climate action in Italy and around the world.

The Italian word 'ECCO' contains the initials of its main themes, energy and climate change, and in Italian evokes a sense of urgency and innovation consistent with the approach we must take towards climate action.

ECCO wants to use its independence and expertise to identify transformative climate solutions. These solutions will be science-led and come with implementation strategies. ECCO will be an active agent of change, deploying strategic communication, advocacy and diplomacy. The aim is to shape climate and energy politics in all its forms.

ECCO will legally be established as an Italian Foundation and be comprised of a team of professionals who have decades of experience working in the fields of climate, energy, the environment, research, social impact, diplomacy, and international cooperation.



W H Y E C C O

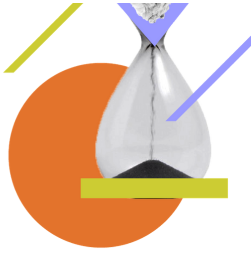
Our priority is to frame the challenge of climate change as a driving force for a more resilient, emissions- and pollution-free and equitable society. Climate change should be seen as political, social and global cooperation issue - not just as an economic and technological one.

The international scientific consensus warns us that we have limited time to act to tackle and manage the impacts of climate change in an orderly manner. If emissions continue to rise and we do not build resilience, on a planet of ten billion people, it will not be possible to maintain the levels of food and water security, human development - and consequently political and social stability - as we know it in Europe. Much of the loss of biodiversity and the depletion of natural capital is already irreversible processes.

Being born in 2021 means situating the climate crisis alongside the other major challenges of our time: global health, shared prosperity and democracy.

This helps recognise the interconnections and interdependencies between them and helps identify shared solutions.

ECCO was born out of the need to rethink the way in which climate change is understood and acted upon in Italy. We must overcome traditional patterns of analysis and political and cultural inertia that doesn't keep pace with change or offer adequate solutions. Italy's biggest risk is that of remaining anchored to a development model that is fast becoming obsolete. The lack of an industrial policy for decarbonisation exposes the country to huge employment and market loss risks, with obvious threats to social stability and public backing for climate policies. Italy needs to redefine its national interests and make political, economic, social and geopolitical choices in line with the terms and timeframe required by climate science and the Paris Agreement.



W H Y E C C O

Transparency, coherence and the participation of civil society are central to strong climate policy and underpin democracy. Today, different models of decision-making, solidarity and cooperation are being discussed. For example, economic divergence within the European Union would jeopardise not only the Green Deal but also European integration itself. It is therefore necessary to strive for a Europe that is both economically integrated and socially and politically cohesive and united. ECCO stands for an approach to the climate challenge which goes hand in hand with the defense of democracy. We believe it is the best model for bringing about change in an open, participatory, shared and fair way which respects fundamental freedoms and rights. ECCO wants to contribute to achieving a just ecological transition with Italy playing a leading role in Europe and the world.

We created ECCO because in Italy - a G7 and G20 member, the third largest economy in the European Union and one of the world's largest development finance donors - to date, that had been no independent think tank dedicated to climate action. We will propose innovative solutions, led by science and facts, in an ongoing dialogue with representatives of politics, institutions, science, philanthropy and civil society.

ITALY NEEDS A STEP- CHANGE



ECCO's work aims to build stronger climate politics and policy in Italy.

In particular:

- Helping build the political leadership for climate action around a collective vision of the future.
- Helping integrate decarbonisation and resilience objectives into policy design at the regional, national and international level, creating opportunities for innovation, protection and development in line with science, the Paris Agreement and the 2030 Agenda.
- Ensuring that policies are independent from the vested interests of fossil fuel companies, which are often co-owned by the public. Without an approach disentangled from fossil fuels interests, there is a risk of an incomplete and inadequate national climate strategy - shaped by short-term views that hinder or slow urgently needed change.
- Strengthening the capacity to assess and monitor the financing and effectiveness of national and international policies against climate objectives. Limiting the waste of resources on outcomes that entrench climate challenges.
- Adopting open and participatory processes that take into account the different demands of society and science.
- Developing new narratives and public communications to frame climate change in its broad political, economic, social and global context.
- Facilitating the organisation and coordination of collective action, including through engaging the Italian philanthropic community to support new climate movements and actions at the regional, national and international level.



HOW WE WORK

ECCO is an innovative think tank inspired by successful international models such as E3G and Agora Energiewende. ECCO is outcomes-led and deploys strategies and analysis designed to deliver solutions for systemic and long-term impact. ECCO aims to reframe the problem, set clear outcomes and offer solutions.

ECCO will work in an ongoing dialogue with stakeholders from politics, institutions, business and trade associations, civil society, philanthropy and the scientific community. We believe the climate challenge requires diffuse leadership, working at multiple levels with all actors.

ECCO's tools include:

- **Evidence-based analyses**
ECCO works with empirical data, analysis, research, scenarios, science and quantitative and qualitative assessments of political, economic, technological, social and geopolitical conditions and dynamics.

- **Connecting, convening and engaging** - Bringing together and engaging forces in society is key to maximising impact. At the same time, innovation is needed to create new coalitions and nurture leadership for change.
- **Strategic communication and advocacy** are key tools for promoting and sharing new solutions, narratives, ideas and strategies with different stakeholders.
- **Diplomacy**- Using tools, strategies and processes to reframe the national interest in the face of the climate challenge; linking national action and debate to the international and vice versa; influencing countries' positions and decision-making processes for stronger climate action.

WORK PROGRAMMES

The programmes encompass the domestic and the international levels.

At the domestic level we address the national level as well as key subnational constituencies (including regions, cities and communities) which are highly relevant for the ecological transition. Monitoring the implementation of the National Recovery and Resilience Plan will be a central and cross-cutting theme during 2021.

The international work focuses on Europe, diplomacy and foreign policy as well as cooperation and development, including a focus on the wider Mediterranean region and Africa.

The energy programme

Aims to accelerate the decarbonisation of the energy system in Italy, to achieve climate neutrality as soon as possible and positioning Italy as a successful model in Europe and the world. Early work will focus on proposals that aim to transform the electricity system to create a secure and flexible system based on renewables, storage, energy efficiency, smart grid expansion and unlocking consumer demand. This work will also initiate a conversation on gas phase-out in Italy, similar to the conversation on coal phase-out which begun 20 years ago.



The industry programme

Aims to develop scenarios and proposals for the decarbonisation of the steel, cement and chemical sectors - with a focus on refineries. Quantitative and qualitative analysis will provide possible decarbonisation pathways and identify the most cost-effective, financially feasible and socially just technological options. The work will link possible industry decarbonisation choices to those in the European policy debate, including the reform of the EU Emissions Trading Scheme (ETS), State Aid and Carbon Border Adjustment Mechanisms (CBAMs). The programme will explore practical examples of just transition in the areas most affected by the industrial sector transition.



WORK PROGRAMMES

The finance programme



Aims to transform Italy's public and private financial system, aligning it with the Paris Agreement to drive the ecological transition. It will draw from international progress on climate risk disclosure, the adoption of the European taxonomy, and commitments to align public spending and private portfolios with the goals of net-zero emissions, resilience, fossil fuel exclusion and increased green investments. This will be done through a dialogue and the leveraging of international best practices with major national financial institutions including CDP, SACE and Invitalia. The programme will also develop a proposal for environmental tax reform concurrent with the debate on reforming the European Stability Pact and achieving the objectives of the European Green Deal.

The governance programme



Aims to investigate and propose reforms to the national governance system - i.e. the mandates, rules, competencies and responsibilities of public institutions at different levels of subsidiarity - to ensure the effective and efficient achievement of climate objectives. For example, public administrations at all levels need to be empowered with the responsibilities, mandates and budgets to deliver decarbonisation and resilience.

The Europe Programme



Aims to turn Italy into a leader in European climate and energy policy and its external projection. The work will support actions to accelerate the implementation of the European Green Deal in Italy, taking advantage of the Next Generation EU, to adopt an ambitious "Fit for 55%" package and identify trade reforms fit for the challenge. We aim to project the idea of the European Green Deal into the world, with a view to building a geopolitics of cooperation where climate action is the driving force.

WORK PROGRAMMES

The Diplomacy and Foreign Policy Programme



2021 is a unique year for Italy with the leadership of the G20 Presidency and as co-host of COP26 with the United Kingdom. This programme aims to use these platforms as a springboard to achieve ambitious climate goals. This is within a complex and rapidly evolving geopolitical landscape. The work will identify new diplomatic pathways and geopolitical choices that enable Italy and Europe to lead the global ecological transition and protect their national interest and security.

The Resilience and Development Programme



Aims to develop analysis and proposals for rethinking cooperation and development in the face of climate risks and decarbonisation opportunities, starting from key regions of interest to Italy. These include the wider Mediterranean and Africa, which are particularly fragile and vulnerable to climate change. The work will develop the idea of a 'Green Deal for the Mediterranean' in line with Italy's domestic climate objectives. We aim to rethink the economic and social priorities of development away from fossil fuel exploitation, towards building climate resilience.

This document outlines ECCO's departure point and our initial horizon. These "notes on change" will be strengthened by the ideas and resources our supporters provide. ECCO is a free, independent and evolving space for thought and action.

ECCO



WWW.ECCOCLIMATE.ORG