



| | |
|--------------------------------|--|
| Project acronym: | EU 1.5° LIFESTYLES |
| Title: | Policies and Tools for Mainstreaming 1.5° Lifestyles |
| Grant Agreement number: | 101003880 |

DELIVERABLE 5.1

Scenarios for 1.5° welfare systems and business models

| | |
|--------------------------------------|--|
| Lead parties for deliverable: | Green Liberty (GL) |
| Document type: | Report |
| Due date of deliverable: | 31-04-2023 (M24) |
| Actual submission date: | 31-05-2023 (M25) |
| Revision: | Version 2.0 |
| Dissemination level: | CO |
| Authors: | Janis BRIZGA (GL), Kārlis LAKŠEVICS (GL), Inga BELOUSA (GL), Vaira OBUKA (GL) |
| Reviewers: | Anna ELFSTRÖM (ULund); Matthias LEHNER; (ULund); Pia MAMUT (WWU); Nadin OZCELIK (UDC); Jessika RICHTER (ULund); Andrius PLEPYS (ULund); Kristof VADOVICS (GDI); Doris Fuchs (WWU); Halliki Kreinin (WWU) |



This project has received funding from the European Union's Horizon 2020 research and innovation programme under grant agreement No 101003880.

LEGAL NOTICE

The information in this document is provided as is and no guarantee or warranty is given that the information is fit for any particular purpose. The user thereof uses the information at its sole risk and liability. Neither the European Commission, nor CINEA, nor any person acting on behalf of the Commission is responsible for the use that might be made of the following information.

© EU 1.5° LIFESTYLES, 2021. Reproduction is authorised provided the source is acknowledged.

DISCLAIMER

EU 1.5° LIFESTYLES, 2021 is a Horizon 2020 project funded by the European Commission. The views and opinions expressed in this publication are the sole responsibility of the author(s) and do not necessarily reflect the views of the European Commission.



| EU 1.5 Lifestyles partners | |
|--|---|
| <p>WESTFAELISCHE WILHELMS-UNIVERSITAET MUENSTER (WWU) Schlossplatz 2, Muenster, 48149, Germany</p> |  |
| <p>HOT OR COOL INSTITUTE (HoC) Quartiersweg 4, Berlin, 10829, Germany</p> |  |
| <p>ADELPHI RESEARCH GEMEINNUTZIGE GMBH (adelphi) Alt-Moabit 91, Berlin 10559, Germany</p> |  |
| <p>UNIVERSITEIT LEIDEN (ULEI) Rapenburg 70, Leiden 2311 EZ, Netherlands</p> |  |
| <p>LUNDS UNIVERSITET (ULUND) Paradisgatan 5c, Lund 22100, Sweden</p> |  |
| <p>GreenDependent Institute (GDI) Eva utca 4, Godollo 2100, Hungary</p> |  |
| <p>D-MAT OY (D-mat) Mechelininkatu 3d, Helsinki, 00100, Finland</p> |  |
| <p>UNIVERSIDADE DA CORUNA (UDC) Calle de la Maestranza 9, La Coruna, 15001, Spain</p> |  |
| <p>ZALA BRIVIBA BIEDRIBA (GL) Lapu Iela 17-3, Riga 1002, Latvia</p> |  |
| <p>EUROPEAN RESEARCH SERVICES GMBH (ERS) Hüfferstraße 5, Münster, 48149, Germany</p> |  |

TABLE OF CONTENTS

| | |
|---|-----------|
| Executive Summary | 5 |
| 1. EU 1.5° Lifestyle project summary..... | 6 |
| Policies and tools for mainstreaming 1.5° lifestyles | 6 |
| 2. Introduction | 7 |
| 3. Methodology | 8 |
| 4. 1.5° Welfare | 9 |
| 4.1. Human need satisfaction and BIOPHYSICAL limits | 9 |
| 4.2. Scenarios for 1.5° welfare..... | 10 |
| 4.3. Policy options for the 1.5° welfare STATE..... | 13 |
| 4. Doing business in 1.5° societies..... | 21 |
| 4.1. Scenarios for DOING BUSINESS IN 1.5° SOCIETIES..... | 29 |
| 4.2. Policy options for DOING BUSINESS IN 1.5° SOCIETIES | 30 |
| Conclusions | 38 |
| References..... | 39 |



EXECUTIVE SUMMARY

This executive summary highlights the key points discussed in the deliverable regarding the relationship between human need satisfaction, biophysical limits, and future scenarios for a 1.5-degree welfare society and business models.

The deliverable emphasizes the importance of meeting fundamental human needs while considering the ecological limits of the planet. It recognizes that satisfying these needs requires balancing resource consumption, minimizing waste and pollution, and operating within planetary boundaries.

Two scenarios are proposed to achieve a 1.5-degree welfare society: the Green New Deal (GND) and the ecological transformation scenario. The GND focuses on incremental improvements within the current economic system, while the ecological transformation scenario envisions a fundamental reorganization of economies and societies towards sustainability and equity.

To realize these scenarios, several policy options are suggested, including working time reduction, job guarantees, sustainable resource management, and a shift towards needs-based approaches in welfare systems. Individual lifestyle changes, new business models, and reimagining the welfare system are necessary to ensure human well-being within planetary limits.

In a 1.5°C society, businesses must adapt to different scenarios and policy options to address climate change and contribute to a sustainable future. These scenarios represent varying levels of ambition and collaboration in tackling climate change.

To effectively operate in a 1.5°C society, businesses should consider trends such as adopting green technologies and innovation, setting decarbonization and net-zero targets, embracing resource efficiency, prioritizing sustainable supply chains and ethical sourcing, engaging in collaboration and stakeholder engagement, and responding to consumer demands for responsible consumption.

Policy options for businesses in a 1.5°C society include state-enforced and voluntary choice editing, cultivating a company culture based on non-financial goals, subsidies for low-carbon choices, higher taxes on resources and pollution, tax incentives for low-carbon research and development, and public procurement for low-carbon products and services.

These policy options have both advantages and disadvantages, ranging from promoting sustainable consumption and public health to potentially reducing individual autonomy, fostering innovation and international competitiveness to distorting the market and reducing state investment in other public services.

It is crucial for stakeholders to work together to integrate sustainability into core strategies and operations while ensuring a level playing field and strong government involvement to achieve the goals of a 1.5°C society. Collaboration and coordination among stakeholders are essential for a successful transition towards a sustainable future.



1. EU 1.5° LIFESTYLE PROJECT SUMMARY

POLICIES AND TOOLS FOR MAINSTREAMING 1.5° LIFESTYLES

The four-year project (2021-2025) EU 1.5° Lifestyles is part of the European Union's Horizon 2020 research and innovation program. It involves researchers, practitioners as well as advisory board members from Finland, Hungary, Japan, Latvia, the Netherlands, Spain, Sweden, and Germany.

The project's main aim is to foster the mainstreaming of lifestyles in accordance with the aspirational 1.5° climate target and to facilitate transformations sought by the Paris Agreement and the EU Green Deal. For this purpose, the project develops guidance for policy makers, intermediary actors, and individuals based on scientific evidence on how lifestyle choices affect individual carbon footprints, and how political, economic, and social contexts enable or constrain shifts to sustainable lifestyle options.

The uniqueness of the project approach is that it recognises the importance of political acceptance for change, demonstrates the potential contributions of individuals and households, and clearly articulates where limited agency by households needs intervention from policy and requires structural changes. In doing so, the EU 1.5 Lifestyles connects analyses of lifestyle perspectives at the household level in the four realms of nutrition, mobility, housing, and leisure with inquiries into relevant political, technological, economic, and social structures at various levels of governance.

To mainstream 1.5 degrees lifestyles, the project develops practical recommendations, which can be integrated into everyday life as well as into EU and national policies. Along the way, the project provides stakeholders at national and EU levels with:

- quantification of climate and health impacts on shifting lifestyles in the EU and within three G20 countries (Indonesia, South Africa, Mexico);
- an overview of potentials for and barriers to change at the household level, including options for transitioning to 1.5 degrees lifestyles as well as associated potential risks and opportunities;
- an assessment of structural barriers and enablers for systemic transformations necessary for 1.5 degrees lifestyles;
- assessments of scenarios for economic and welfare systems, and business models compatible with 1.5 degrees lifestyles.

To co-produce outputs and involve target group members, several stakeholder workshops are held, and instructive communication materials are disseminated, including concrete guidance for both citizens and decision-makers on transitioning to 1.5 degrees lifestyles.

