EUROPEAN COMMISSION



Brussels,7.8.2020 C(2020) 5391 final

Dr. Andrea
EDER-GITSCHTHALER
President of the Bundesrat
Dr Karl Renner-Ring 3
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Dear President,

The Commission would like to thank the Bundesrat for its reasoned Opinion and its Opinion on the proposal for a Regulation of the European Parliament and of the Council establishing the framework for achieving climate neutrality and amending Regulation (EU) 2018/1999 (European Climate Law) {COM(2020) 80 final}.

This proposal forms part of a broader package of ambitious actions announced in the Commission's European Green Deal Communication¹. The European Green Deal launches a new growth strategy for the EU and reaffirms the Commission's ambition to make Europe the first climate-neutral continent by 2050. With its proposal for a European Climate Law, the Commission proposes to enshrine the 2050 climate-neutrality objective in legislation, to set the long-term direction, to provide predictability for investors, and to ensure transparency and accountability.

The Commission takes note of the Bundesrat's views on the continuing importance of the issue of climate change in times of the COVID-19 crisis, its concerns as regards the empowerment for delegated acts in the proposal for the European Climate Law, and its views as regards nuclear power plant programmes and the importance of renewable energy.

In response to the issues raised in the Bundesrat's Opinions, the Commission would like to make the following comments.

While the Commission is concentrating on the COVID-19 crisis and doing its utmost to assist consumers and businesses in overcoming the effects of that crisis, the climate and environmental crisis is indeed still a reality and necessitates our continued attention and efforts. This is one of the very reasons why the Commission presented its proposal for a

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¹ COM(2019) 640 final.

European Climate Law: to avoid that climate action, a generational task, is side-lined by more pressing and immediate challenges.

The Commission has confirmed this in its Communications on Next Generation EU^2 , and a revamped long-term EU budget³. In these Communications, the Commission has set out an ambitious recovery plan, guiding and building a more sustainable, resilient and fairer Europe for the next generation. With the new package we commit to 'do no harm' with regard to our climate ambitions, ensure that the money is spent in line with the European Green Deal, and accelerate the twin green and digital transition.

As regards the empowerment of the Commission to adopt delegated acts setting out a trajectory at Union level to achieve over time the EU 2050 climate-neutrality objective, the Commission would like to clarify that the function of the trajectory is foreseen to be used by the Commission as a tool to assess progress towards achieving the climate-neutrality objective and to assess the effectiveness of existing policies. The proposal foresees that the starting point and end point for the trajectory, as well as the criteria to be considered when setting the trajectory, are set by the co-legislators; thus the Commission considered that the delegation to it does not include any 'essential element' within the meaning of Article 290 of the Treaty on the Functioning of the European Union. As Executive Vice-President Frans Timmermans underlined a few times already, the Commission is always willing to engage in a discussion which procedures are best suited to achieve the desired end result: a clear and verifiable pathway towards climate neutrality by 2050.

As regards the role of nuclear and renewable energy, the Commission would like to clarify that the proposal does not set a specific pathway to achieve the climate-neutrality objective, fully respecting Member States' rights to determine their energy mix. Concrete actions are yet to be developed, as announced in the European Green Deal, which also emphasises the essential role of renewable energy sources and that a power sector that is based largely on renewable sources must be developed.

The points made above are based on the initial proposal presented by the Commission, which is currently in the legislative process involving both the European Parliament and the Council.

The Commission hopes that these clarifications address the issues raised by the Bundesrat and looks forward to continuing the political dialogue in the future.

Yours faithfully,

Frans Timmermans Executive Vice-President

Johannes Hahn Member of the Commission

² COM(2020) 456 final.

³ COM(2020) 442 final.