



Agenda item 6

The European Green Deal

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*Expert group greening the European Semester /
Environmental Implementation Review – 13th meeting
24/01/2020*



First para of the European Green Deal (EGD) Communication sets the tone:

- This Communication sets out a European Green Deal for the European Union (EU) and its citizens.
- It resets the Commission's commitment to tackling climate and environmental-related challenges that is this generation's defining task.
- The atmosphere is warming and the climate is changing with each passing year. One million of the eight million species on the planet are at risk of being lost. Forests and oceans are being polluted and destroyed.



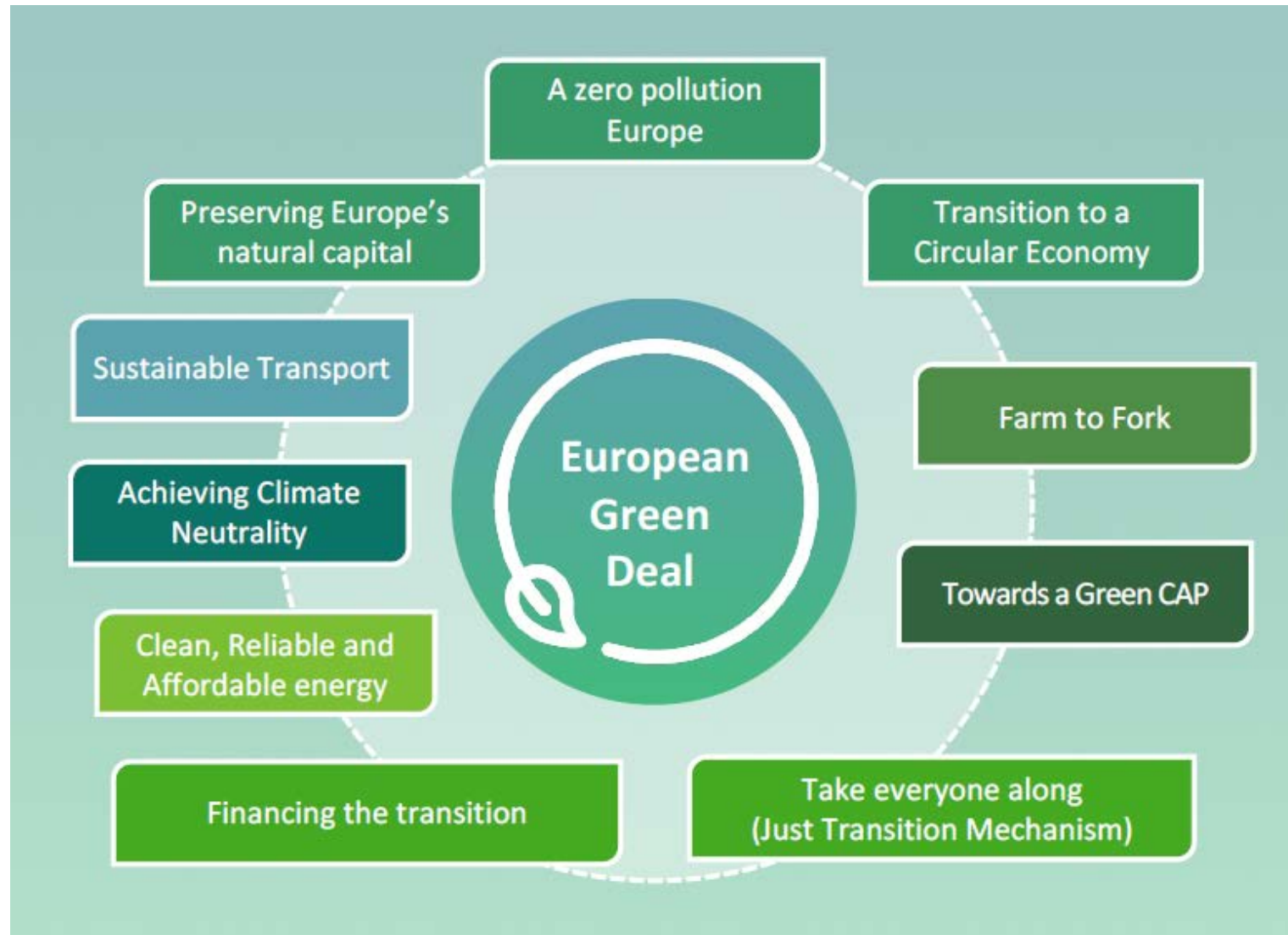
- It is a new growth strategy that aims to transform the EU into a fair and prosperous society, with a modern, resource-efficient and competitive economy where there are no net emissions of greenhouse gases in 2050 and where economic growth is decoupled from resource use.
- It also aims to protect, conserve and enhance the EU's natural capital, and protect the health and well-being of citizens from environment-related risks and impacts.
- At the same time, this transition must be just and inclusive.
- The European Green Deal will accelerate and underpin the transition needed in all sectors.
- The Green Deal is an integral part of this Commission's strategy to implement the United Nation's 2030 Agenda and the sustainable development goals.



- As part of the Green Deal, the Commission will
 - refocus the European Semester process of macroeconomic coordination to integrate the United Nations' sustainable development goals,
 - to put sustainability and the well-being of citizens at the centre of economic policy,
 - and the sustainable development goals at the heart of the EU's policymaking and action.



■ The main elements of the Green Deal





Achieving Climate Neutrality

- Propose a European '**Climate Law**' enshrining the 2050 climate neutrality objective in legislation by March 2020
- Present a **comprehensive plan** to increase the EU's climate target for 2030 to at least 50% and towards 55% in a responsible way by October 2020
- Propose to **revise all relevant legislative measures to deliver on this increased ambition** by June 2021
- Propose to revise the **Energy Taxation Directive** [by June 2021]
- Propose a **carbon border adjustment mechanism** for selected sectors by 2021
- Adopt a new EU **Strategy on Adaptation** to Climate Change by [Q4 2020]



Clean, Reliable and
Affordable energy

- Assess the ambition of the final **National Energy and Climate Plans** by [October 2020]
- Propose to **revise the energy legislation to reflect the increased 2030 climate ambition** by June 2021, including the Energy Efficiency and Renewable Energy Directives
- Present a **strategy for smart sector integration** by mid-2020
- Produce guidance for Member States to **address energy poverty**
- Review the **TEN-E Regulation**



Sustainable Transport

- Adopt a strategy for **sustainable and smart mobility** by [2020]
- Revise the CO2 **emissions performance legislation** for light duty vehicles by June 2021
- Propose to **extend the EU's Emissions Trading System** to the maritime sector, and to reduce the free allowances for airlines by June 2021
- Support the **deployment of public charging points** with the launch of a funding call for alternative fuel infrastructure
- Consider legislative options to boost the production and supply of **sustainable alternative fuels** for the different transport modes
- Withdraw and resubmit a proposal to revise the Combined Transport Directive
- Review the **Alternative Fuels Infrastructure Directive** and the TEN-T Regulation
- Propose more **stringent air pollutant emissions standards** for combustion-engine vehicles



Preserving Europe's natural capital

- Propose an **EU Biodiversity Strategy** for 2030, outlining the EU's vision for leading the world towards an ambitious Global Biodiversity Framework and setting the EU's commitments to curtail biodiversity loss
- Prepare a new **EU Forest Strategy** with objectives for afforestation and forest restoration in Europe
- Assess demand-side regulatory and non-regulatory measures to support **deforestation-free value chains** and minimise the risk of deforestation and forest degradation associated with imports





A zero pollution Europe

- Adopt an **air pollution action plan**, including to review air quality standards to align them with the World Health Organization guidelines
- Adopt a **water quality action plan**
- Review EU measures to address **industrial pollution** from large industrial installations
- Present a **chemical innovation strategy** in June 2020 followed by a package of regulatory measures by [2021]



Transition to a Circular Economy

- Adopt an **EU Industrial Strategy** by March 2020
- Adopt a new **circular economy action plan** by March 2020, including a sustainable products initiative
- Stimulate lead markets for **climate neutral and circular products** in energy intensive industrial sectors
- Roll out the EU Emissions Trading System **Innovation Fund** to support large-scale innovative industrial projects
- Propose to use part of the European Community on Coal and Steel in liquidation to support **Clean Steel breakthrough** technologies leading to a zero carbon steel making process by 2030.
- Adopt legislative measures for batteries by October 2020 in support of the Strategic Action Plan on **Batteries and Circular Economy**
- Propose legislative reforms **tackling waste**



- Seek to ensure high **environmental and climate ambition** in the reform of the common agricultural policy
- Work with Member States and stakeholders to ensure that **national strategic plans** for agriculture reflect fully the ambition of the Green Deal and the Farm to Fork Strategy
- Present the '**Farm to Fork**' Strategy in spring 2020, in view of rolling-out a set of initiatives from the end of 2020, including:
 - targets on reduction of chemical pesticides [50% by 2030], fertilisers [by X% by 2030] and increased organic area [to X %]
 - adoption of a toolbox for alternatives to chemical pesticides
 - actions to develop innovative ways, including new genomic techniques, to adapt to climate change and improve sustainability of food systems

Farm to Fork

Towards a Green CAP





Just Transition Mechanism **December 2019**

- 5 bn JTF + >5 bn ERDF/ESF + 1,5 bn guarantee = **35 billion Just Transition Mechanism**
- Regions most exposed to decarbonisation challenge: *eligibility criteria*
- **Integrated strategies** in regions
- Green conversions, large companies (*conditional*)
- Lower **funding costs and additional funding** possibilities (green bonds, EIB, InvestEU)
- **Technical Assistance**: regional transition plans
- **Just Financing**: renovation for normal households.

Leave no one behind
(Just Transition)





- Continue to push for **high climate and environmental ambition** in the negotiations on the next multi-annual financial framework
- Facilitate the identification of a **robust pipeline** of projects
- Support the EIB's efforts as **climate bank**
- Present a **[green financing action plan by Q3 2020]**
- Review the role of the **Innovation and Modernisation Funds** as part of the revision of the EU Emission Trading System
- Review the **Non-Financial Reporting Directive** to maximise the transparency towards the public
- Assess the need for additional legal requirements on **sustainable corporate governance** (by June 2021)

Financing the transition. I





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Financing the transition. I





- Screen and benchmark **green budgeting practices** of the Member States, as well as its own
- As part of the review of the European economic governance framework, examine whether to **strengthen it to incentivise green public investment**, while preserving adequate safeguards against risks to debt sustainability, including those stemming from climate change
- Review the **state aid guidelines for environment and energy**, as well as other climate and energy-related guidelines, to bring them in line with the Green Deal

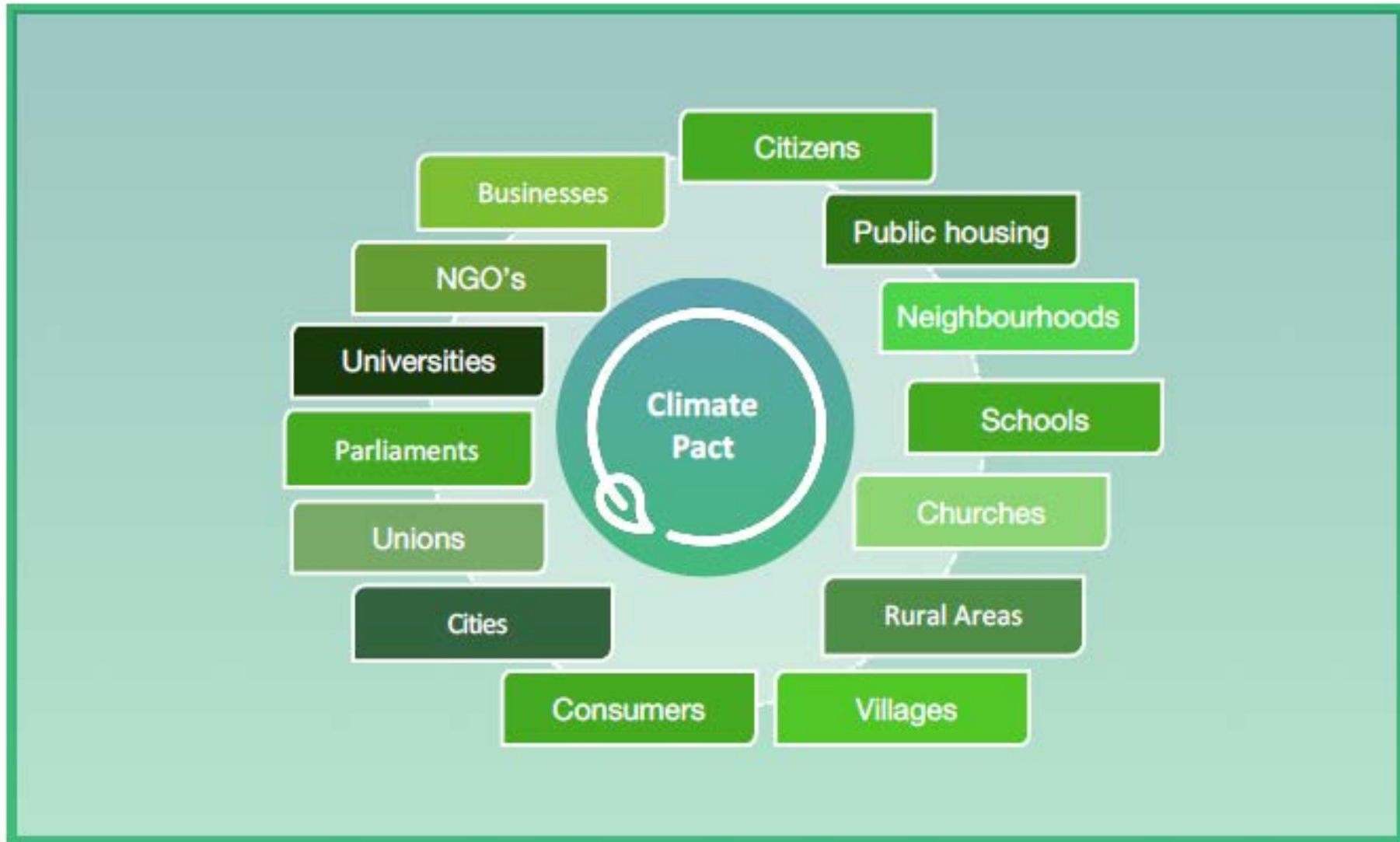
Financing the transition II

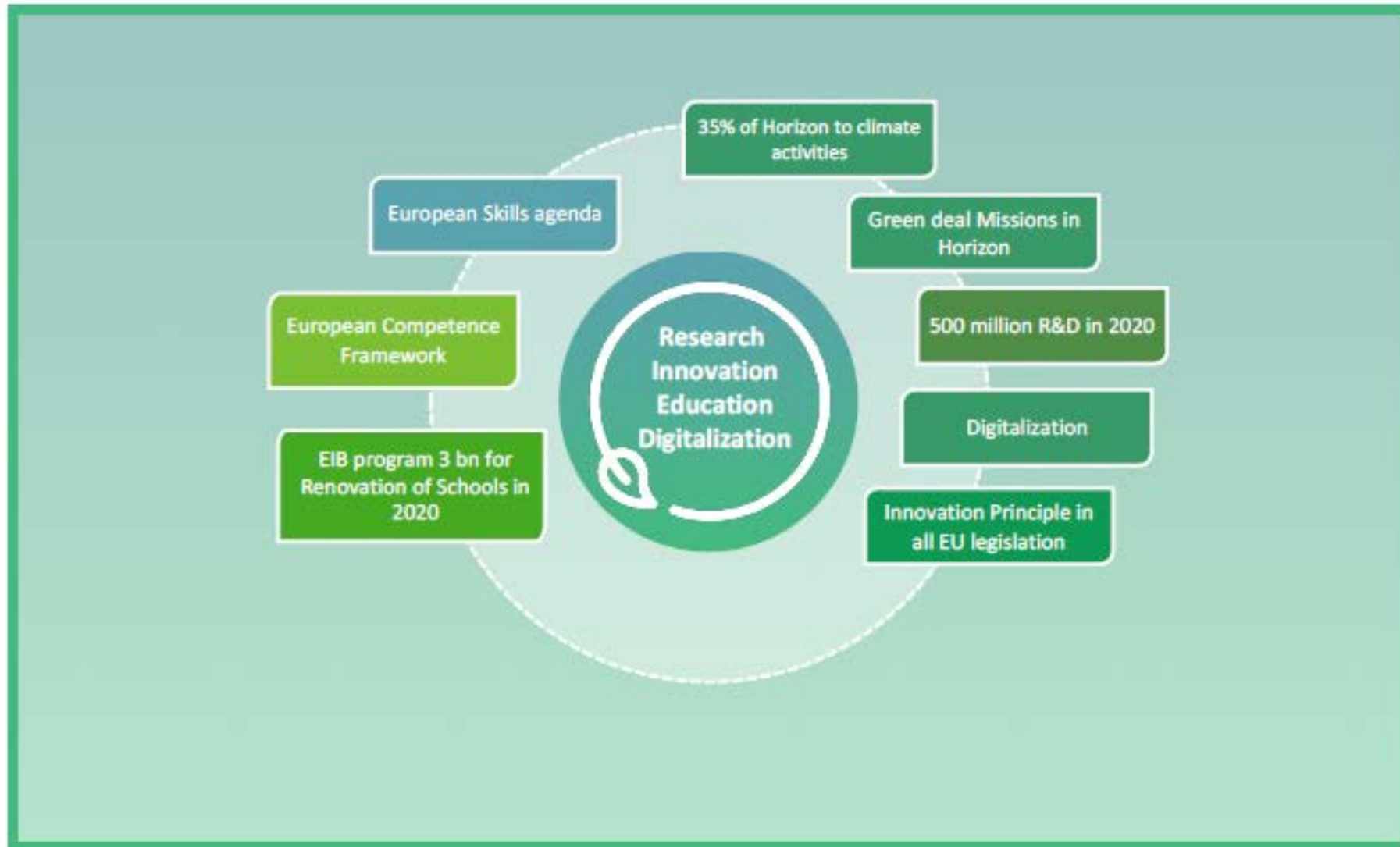




- Lead the **international climate negotiations**
- Intensify our **bilateral** efforts
- Strengthen the EU's **Climate and Energy Diplomacy**
- Adopt **geographic and thematic strategies** to support sustainable management of natural resources and the green economy
- Affirm the respect of the Paris Agreement as an **essential element** of every future trade agreement
- Pursue global **Green Alliances**, and specific action with third countries, notably in the EU's neighbourhood, including the Green Agenda for the Western Balkans
- EU **Africa Energy Plan**

Global dimension







Green Oath Do no Harm

- Ensure that all new initiatives are **in line with the objectives of the Green Deal** and promote innovation
- Better integrate the **Sustainable Development Goals** in the European Semester from 2020
- Include into the **European Semester** process a stronger focus on environmental challenges of macro-economic relevance, such as climate change.
- Revamp the environmental implementation review process, to ensure better and more **effective implementation and enforcement of existing environmental legislation**



- The Commission and the Member States must also ensure that policies and legislation are enforced and deliver effectively.
- The **environmental implementation review will play a critical role** in mapping the situation in each Member State. The
- Commission will also present a **new environmental action programme** to complement the European Green Deal that will include a new monitoring mechanism to ensure that Europe remains on track to meet its environmental objectives.

