The European Green Deal – Towards a climate neutral EU by 2050

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The European Green Deal

Climate change is happening

- Global warming already reached at 1°C
- 18 of the warmest years in the last 2 decades and extreme heat waves in EU for 4 of the last 5 years
- Real impact on EU economy & environment
- IPCC warns about global eco-systems in danger already at 2°C
- Climate change undermines security and prosperity in the broadest sense
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Europe – the first climate neutral continent by 2050

Different zero GHG pathways lead to different levels of remaining emissions and absorption of GHG emissions.
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EU’s new growth strategy - Invest into the modernisation of the economy

- Modernising the EU's economy will stimulate significant additional investment:
  1. Energy efficiency
  2. Deployments of renewables
  3. Clean, safe & connected mobility
  4. Competitive industry and circular economy
  5. Infrastructure and inter-connections
  6. Bio-economy and natural carbon sinks
  7. Tackle remaining emissions with carbon capture and storage

- From 2% of EU GDP invested in the energy system today to 2.8% to achieve a net-zero greenhouse gas emissions economy
- Positive for growth and jobs, with GDP impact up to +2%
- Co-benefits: energy imports down, public health, etc.

Caveat:
This estimate does not take into account differences in climate change damages, nor adaptation costs between baseline and 1.5°C.
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Transforming the EU’s economy for a sustainable future

Increasing the EU’s Climate ambition for 2030 and 2050

A zero pollution ambition for a toxic-free environment

Supplying clean, affordable and secure energy

Preserving and restoring ecosystems and biodiversity

Mobilising industry for a clean and circular economy

From ‘Farm to Fork’: a fair, healthy and environmentally friendly food system

Building and renovating in an energy and resource efficient way

Accelerating the shift to sustainable and smart mobility

And leaving no one behind

Designing a set of deeply transformative policies

The EU as a global leader

A European Climate Pact
The European Green Deal

Increasing the EU’s Climate ambition for 2030 and 2050

- European ‘Climate Law’ enshrining the 2050 climate neutrality objective in legislation by March 2020
- 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
- Review and revise where needed all relevant legislative measures to deliver on this increased ambition by June 2021
- Proposal for a revision of the Energy Taxation Directive by June 2021
- Carbon border adjustment mechanism for selected sectors by 2021
- A new EU Strategy on Adaptation in 2020/2021

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- Assess the ambition of the final National Energy and Climate Plans by June 2020
- Strategy for smart sector integration in 2020
- Renovation wave for the building sector in 2020 doubling the renovation rate
- Offshore wind initiative in 2020
- Review the TEN-E Regulation

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- **EU Industrial Strategy** by March 2020
- A new **circular economy action plan** by March 2020, including a **sustainable products policy**
- **Clean Steel breakthrough**: proposal in 2020 to support zero carbon steel-making processes by 2030.
- Legislation in support of the **Strategic Action Plan on Batteries** and the circular economy in 2020
- Propose legislative reforms **tackling waste**
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- Strategy for Sustainable and smart mobility in 2020
- Revise the CO2 emissions performance legislation for light duty vehicles by June 2021
- Extend EU’s Emissions Trading to the maritime sector, and to reduce the free allowances for airlines by June 2021
- Support public charging points: 1 million by 2025
- Boost the production and supply of sustainable alternative fuels for the different transport modes
- Review the Alternative Fuels Infrastructure Directive and the TEN-T Regulation in 2021
- More stringent air pollutant emissions standards for combustion-engine vehicles

Accelerating the shift to sustainable and smart mobility

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- Zero pollution action plan for air, water and soil in 2021
- Address industrial pollution from large industrial installations in 2021
- Chemicals strategy for sustainability in summer 2020

A zero pollution ambition for a toxic-free environment

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- Meeting the additional investment needs
- Proposal for a Sustainable Europe Investment Plan and a Just Transition Mechanism (EUR 100 bn) in January 2020
- 25% target for climate mainstreaming across all EU programmes within the proposed MFF 2021-2027
- Proposed new revenue streams (“Own resources”) and review of the Innovation and Modernisation funds to deploy climate neutral solutions
- Mobilisation of InvestEU in support of the Green Deal objectives
- Work with the EIB group (climate target to 50% by 2025) and other financial institutions (NPBs, other int’l financial institutions)
- Renewed Sustainable Finance Strategy in Autumn 2020
- Taxonomy, Corporate governance framework
- Support natural capital accounting
- Labels for retail financial investment products
- Developing EU green bond standard; integration of environmental risks in EU prudential framework

Pursuing green finance and investment and ensuring a just transition
The European Green Deal

Transforming the EU’s economy for a sustainable future
And leaving no one behind

Mainstreaming sustainability in all EU policies

Financing the transition
Leave no one behind (Just Transition)

• Initiatives to screen and benchmark green budgeting practices of the Member States and of the EU from 2020
• Inclusion of reference to green public investment in context of quality of public finance in review of European economic governance framework
• Creation of a context for fit-for-purpose tax reforms
• Review of the State aid guidelines for environment and energy, as well as other relevant guidelines in 2021
• Integration of the Sustainable Development Goals in the European Semester from 2020

Greening national budgets and sending the right price signals

And leaving no one behind
The European Green Deal

Transforming the EU’s economy for a sustainable future and leaving no one behind

Mainstreaming sustainability in all EU policies

Mobilising research and Fostering innovation

- At least 35% of Horizon Europe funding for climate solution
- Four "Green Deal missions" (related to climate change, oceans, cities and soil)
- Partnerships with industry and Member States
- Role of European Institute of Innovation and Technology
- Role of European Innovation Council
- Data and digital infrastructure in support of ecological transition

Financing the transition

Leave no one behind (Just Transition)
The European Green Deal

Transforming the EU’s economy for a sustainable future

- European Competence Framework
- EU networks of teacher-training programmes
- Leveraging €3 billion for investment in school infrastructure
- Pro-active re-skilling and up-skilling through the proposed European Social Fund+

And leaving no one behind

Mainstreaming sustainability in all EU policies

Financing the transition

Leave no one behind (Just Transition)
The European Green Deal

Transforming the EU’s economy for a sustainable future

- Align all new Commission initiatives with European Green Deal objectives
- Use of better regulation tools
- Invitation of stakeholders to use available platforms to simplify legislation and identify problematic cases
- Improve ways better regulation guidelines and supporting tools address sustainability and innovation issues

Mainstreaming sustainability in all EU policies

Financing the transition

Leave no one behind (Just Transition)

A green oath: ‘do no harm’
The European Green Deal

• EU to continue to **lead the international climate and biodiversity negotiations**, further strengthening the international policy framework
  
  • Strengthen the EU’s **Green Deal Diplomacy** in cooperation with Member States
  
  • **Green Agenda** for the Western Balkans
  
  • Proposal to make the **respect of the Paris agreement an essential element** for all future comprehensive trade agreements

The EU as a global leader
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- Launch of the European Climate Pact in March 2020
- Proposal for an 8th Environmental Action Programme in 2020
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