

Introduction

After taking office on 1 December, the new European Commission (EC) President Ursula Von der Leyen [presented](#) its much-anticipated **European Green Deal** on 11 December 2019.

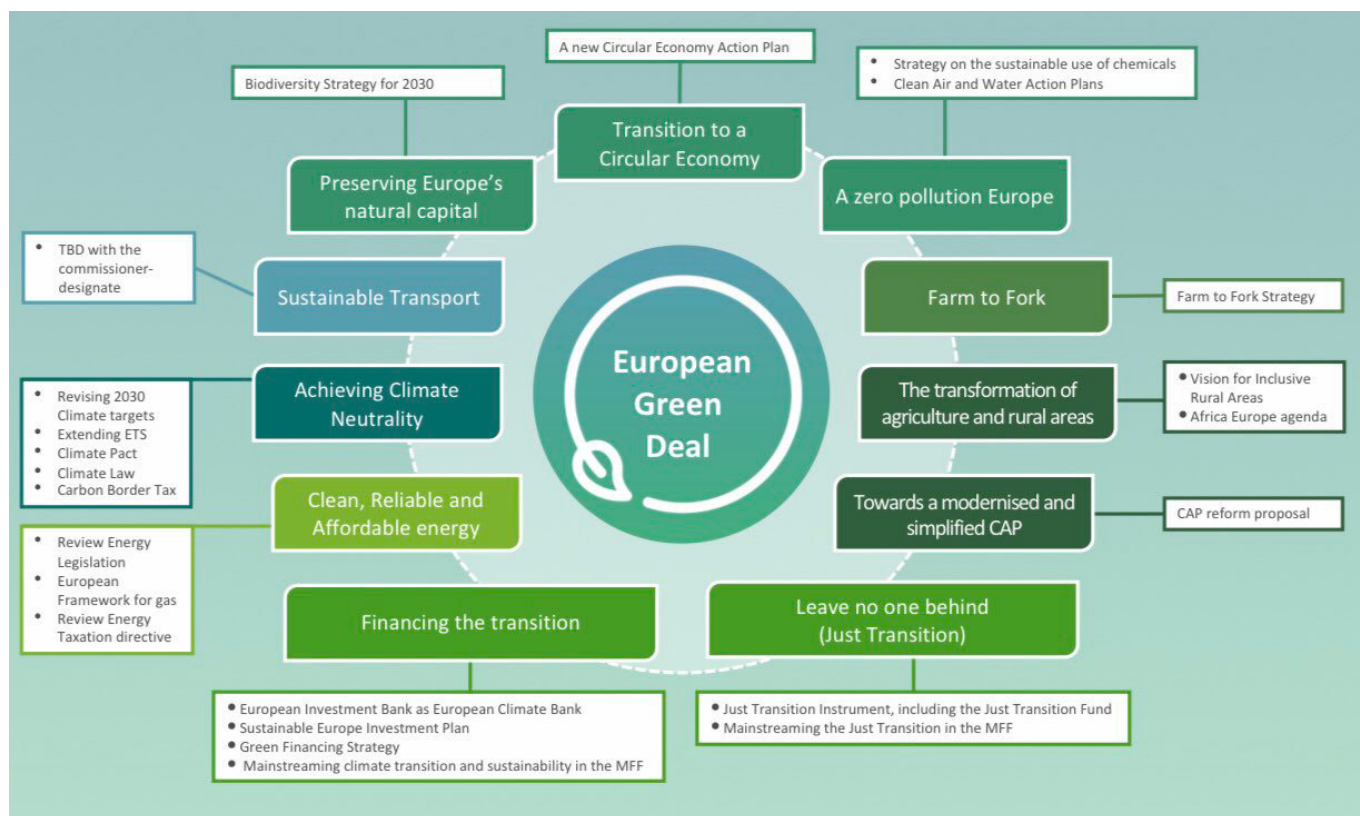
The policy document consists of a [communication](#) (24 pages) and an [annex](#) listing about **50 actions**, and is explained in [Q&As](#), [13 factsheets](#), a [press release](#) and EC President Von der Leyen’s [remarks](#).

In the words of the EC’s press release, the European Green Deal “sets out how to **make Europe the first climate-neutral continent by 2050**, boosting the economy, improving people’s health and quality of life, caring for nature, and leaving no one behind”. The EC wants to do this by providing “a roadmap with actions to boost the efficient use of resources by moving to a clean, circular economy and stop climate change, revert biodiversity loss and cut pollution”, as well as outlining investments needed and financing tools available. EC Executive Vice President Frans Timmermans explained, “[w]e are in a climate and environmental emergency”. According to the communication, the EC wants to turn this “urgent challenge into a unique opportunity”.

Hence, the goal of climate-neutrality by 2050 is at the heart of the document, but the EC also pursues multiple broader policy goals with it, without necessarily putting all of them in a direct and concrete climate context.

EC President Von der Leyen remarked, “We do not have all the answers yet. Today is the start of a journey. However, this is Europe’s ‘man on the moon’ moment.”

Indeed, the **European Green Deal presents a broad mix of policies with different degrees of novelty, in different stages of development and of different nature (legislative and non-legislative)**. The EC has avoided listing a later year than 2021 for the implementation of its policies under the Green Deal – often by announcing just the next, more concrete, policy document on the way to any binding measure.



Source: European Commission

Key Elements and Actions



1. Increasing the EU's Climate Ambition for 2030 and 2050

To set into legislation the political ambition of being the world's first climate neutral continent by 2050, the EC will present a "**European Climate Law**" in March

2020. It will immediately start work on the impact assessment for a proposal, to be presented by summer 2020, to increase the EU's 2030 GHG emission reduction targets to "at least" 50% and towards 55% "in a responsible way", setting a realistic path to the 2050 goal. By June 2021, it will have reviewed, and will propose to revise, where necessary, all relevant climate-related policy instruments, including the EU Emission Trading Scheme (ETS) and the Energy Taxation Directive. During 2021, it will also make a **proposal for a carbon border adjustment mechanism** for selected sectors, which will be designed to comply with WTO and other international rules and as an alternative to the existing measures that address the risk of carbon leakage.

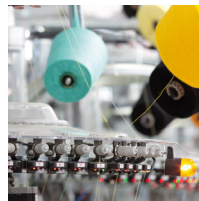
Comment: In the communication, the EC chose the slightly broader term of border adjustment mechanism over carbon border tax, which it had used in its political programme and specified what effect it would have on existing measures addressing carbon leakage. Reportedly, this initiative will focus on the cement sector first.



2. Supplying Clean, Affordable and Secure Energy

The EC observes that a "power sector must be developed that is based largely on renewable sources, complemented by the rapid phasing out of coal and decarbonising

gas, in particular by addressing methane emissions. At the same time, the EU's energy supply needs to be secure and affordable for consumers and businesses. For this to happen, it is essential to ensure that the European energy market is fully integrated, interconnected and digitalised, while respecting technological neutrality [emphasis added]". In order to decarbonise the energy system and improve energy efficiency, the EC will **first assess the member states' final National Energy and Climate Plans by June 2020**. By June 2021, the EC will additionally review and, where necessary, **revise all relevant energy legislation**. It will further work on promoting renewable energy sources, including offshore wind, for which it intends to adopt a strategy in 2020. In 2020, the EC will produce guidance to assist member states in addressing the issue of energy poverty. The EC will also focus on promoting smart infrastructure by reviewing the regulation on **Trans-European Networks (TEN-E Regulation)**.



3. Mobilising Industry for a Clean and Circular Economy

The EC considers that as "[i]t takes 25 years [...] to transform an industrial sector and all the value chains [...], actions need to be taken in the next five years" to meet the

2050 goal. The EC sees the transition as "an opportunity to expand sustainable and job-intensive economic activity". To this end, the EC will adopt both an **EU industrial strategy** "to address the twin challenge of the green and the digital transformation", as a key enabler, and a **new circular economy action plan** in March 2020.

While the new circular economy action plan will guide the transition of all sectors, action will **focus in particular on resource-intensive sectors such as textiles, construction, electronics and plastics**. The EC will follow up on its 2018 [Plastics Strategy](#), focusing, among other things (which are already ongoing), on measures to **tackle unintentional releases of plastics**, e.g. from textiles and tyre abrasion. It will also **develop a regulatory framework for biodegradable and bio-based plastics**.

The EC observes a need for **new legislation**, including targets and measures for **tackling over-packaging and waste generation**.

It will include a "**sustainable products**" policy, which will prioritise reducing and reusing materials before recycling them. Later (in the communication), the EC commits to analyse the need for a "right to repair". The EC will step up its regulatory and non-regulatory efforts to enable buyers to make more sustainable decisions and reduce the risk of "green washing".

The communication references the [Circular Plastics Alliance](#) (a voluntary initiative it initiated in 2018 to boost the use of recycled plastic), but then states it will consider **mandatory recycled content** requirements, e.g. for packaging, vehicles, construction materials and batteries. To stop the EU from exporting its waste, the EC will revisit the **Waste Shipments Regulation**.

In addition, the EC will continue to implement the **Strategic Plan on Batteries**, together with the European Battery Alliance, while proposing new legislation to support sustainable practices in the battery value chain.

Digital technologies, including artificial intelligence, 5G and cloud computing, will have a central role in accelerating the circular economy. In parallel, the EC will look into the energy efficiency and environmental performance of the digital sector itself.



4. Building and Renovating in an Energy- and Resource-efficient Way

To address the twin challenge of energy efficiency and affordability, the EU and the member states should engage in a “**renovation wave**” of public and private buildings. The EC commits to rigorously enforcing the Energy Performance of Buildings Directive (EPBD), starting with an assessment of member states’ national long-term renovation strategies in 2020. It will launch work on the possibility of including emissions from buildings in the ETS. It will review the **Construction Products Regulation (CPR)** to ensure that the design of new and renovated buildings at all stages is in line with the needs of the circular economy and also work with stakeholders in open platform on a new initiative on renovation in 2020. The EC will also work on lifting national regulatory barriers that inhibit energy efficiency investments in rented and multi-ownership buildings.



5. Accelerating the Shift to Sustainable and Smart Mobility

In the view of the EC, a 90% reduction in transport emissions is needed to achieve climate neutrality. Road, rail, aviation and waterborne transport will all have to contribute to the reduction. To this end, the EC commits to develop a **comprehensive strategy for sustainable and smart mobility in 2020**. To boost multimodal transport, it will make a revised proposal for a directive on combined transport. With the goal to have the price of transport reflect the impact it has on the environment and on health, the will look closely at the current tax exemptions, including for aviation and maritime fuels as fossil-fuel subsidies during the **revision of the Energy Taxation Directive**. It plans to extend the ETS to the maritime sector, possibly to road transport, and to reduce the amount of free allowances to airlines, as well as propose more stringent air pollutant emissions standards for combustion engine vehicles.



6. From “Farm to Fork”: Designing a Fair, Healthy and Environmentally-friendly Food System

In spring 2020, the EC will adopt a “**farm-to-fork**” strategy with a view to foster a more sustainable food policy and create opportunities for all operators in the food value chain, including European farmers and fishermen. Eco-schemes will reward farmers for improved environmental and climate performance. In particular, within the Common Agricultural Policy, member states will be required to include actions for reducing the use and risk of chemical pesticides, as well as the use of fertilisers and antibiotics in 2021 in their national strategic plans for agriculture. The strategy is also supposed to contribute to achieving a circular economy, since it will aim at reducing the overall environment impact of food processing, including its transport, storage and packaging.



7. Preserving and Restoring Ecosystems and Biodiversity

In March 2020, the EC will present a new **EU Biodiversity Strategy for 2030** with quantified targets followed by measures that address the core causes of biodiversity loss from 2021.



8. A Zero Pollution Ambition for a Toxic-free Environment

To address pollution from air, water, soil and consumer products, the EC will adopt a **zero pollution action plan** along with a revision of measures to address pollution

from large industrial installations in 2021. The EC will precede these with a **chemicals strategy for sustainability** in summer 2020. It will review how to move towards a “one substance, one assessment” process amongst the EU’s agencies and scientific bodies and will provide greater transparency when prioritising actions to deal with chemicals, as well as “rapidly reflect[ing]” developing science on endocrine disruptors (EDCs), chemicals in imported articles, combination effects and very persistent chemicals.

Comment: [NGOs have welcomed](#) the EC’s eventual choice of language, which seems closer to the non-toxic environment strategy, which the EC failed to deliver in 2018. They had associated the term “chemical innovation strategy” in an earlier [leaked draft](#) with the [innovation principle](#) and industry lobbying.



9. Pursuing Green Finance and Investment and Ensuring a Just Transition

The EC has estimated that achieving the current 2030 climate and energy targets alone will already **require €260 billion of additional annual investment**. Meeting the objectives of the European Green Deal will, therefore, imply significant investments and efforts. To help meet these investment needs, and as part of a mainstreaming of sustainability in all EU policies, the EC will present a **Sustainable Europe Investment Plan** in January 2020. The EC is of the view that at least 25% of the EU’s long-term budget should be dedicated to climate action. The communication mentions the “**EU plastic tax**” in this context. For the private sector to contribute to financing the green transition, the EC will present a **Green Financing Strategy in** (autumn) 2020. A **Just Transition Mechanism**, to be proposed in January 2020, will support those regions that rely heavily on very carbon intensive activities. The communication specifies that it will draw on sources of funding from the EU budget, as well as the EIB group, but will be in addition to other programmes, including the European Regional Development Fund (ERDF) and the European Social Fund Plus. Support from the Mechanism will be linked to promoting a transition towards low-carbon and climate-resilient activities, such as providing access to energy-efficient housing.

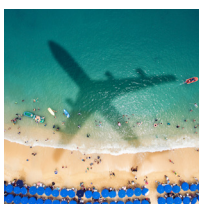
Comment: In the end, this leaves it unclear how much additional funding the mechanism will offer.



10. Greening National Budgets and Sending the Right Price Signals

At national level, the European Green Deal is supposed to create the context for broad based tax reforms, removing subsidies for

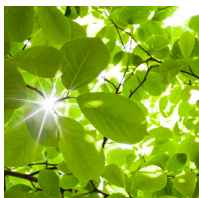
fossil fuels, shifting the tax burden from labour to pollution and taking into account social considerations. The EC remarks that there is a need to ensure a rapid adoption of its proposal on value added tax (VAT) rates, so that member states can make a more targeted use of VAT rates to reflect increased environmental ambitions, for example to support organic fruit and vegetables. The EC will complete the **revision of its environmental and energy state aid guidelines (EEAG)** in 2021 to reflect the policy objectives of the European Green Deal.



11. Mobilising Research and Fostering Innovation and Activating Education and Training

According to the communication, the **Horizon Europe** EU research funding

programme, which has been going through the legislative process since June 2018, will support the research and innovation efforts needed. Four “**Green Deal Missions**” will help deliver large-scale changes in areas such as adaptation to climate change, oceans, cities and soil. Education and training will also play some role in the implementation of the European Green Deal.



12. A Green Oath: “Do No Harm”

The EC expresses its belief that its better regulation tools provide a solid basis for a successful and just transition towards a sustainable future. Based on public consultations, on the identification of the

environmental, social and economic impacts, and on analyses of how SMEs are affected and innovation fostered or hindered, impact assessments would contribute to making efficient policy choices at minimum costs, in line with the objectives of the Green Deal. Yet, the EC sets out to improve the way its procedural tools address sustainability and innovation issues.



13. The EU as a Global Leader

The EU will continue to promote its environmental goals and standards in the UN’s Biodiversity and Climate Conventions and reinforce its **Green Diplomacy**, including in the G7, G20, international

conventions, bilateral relationships and trade policy to ensure sustainability. In this context, it will build partnerships with its neighbours in the Balkans (Green Agenda for the Western Balkans) and Africa.



14. A European Climate Pact

Finally, the EC notes that recent political events show that game-changing policies only work if citizens are fully involved in designing them. People would be concerned about jobs, heating their homes and making

ends meet. Therefore, the EC will launch a **European Climate Pact** by March 2020 to focus on engaging with the public on climate action.

The EC will also present a proposal for an **eighth Environmental Action Programme** to complement the European Green Deal. It will include a new monitoring mechanism to ensure that Europe remains on track to meet its environmental objectives.

Next Steps

With the communication, the EC invited the **European Parliament** and the **European Council** to endorse the European Green Deal and to give their full weight to the measures it contains. The European Council summit of EU Heads of State and Government on 12 – 13 December [concluded](#) that “[i]n the light of the latest available science and of the need to step up global climate action, [it] endorses the objective of achieving a climate-neutral EU by 2050, in line with the objectives of the Paris Agreement.” However, it noted that one member state (namely Poland), “cannot commit to implement this objective as far as it is concerned, and the European Council will come back to this in June 2020 [emphasis added]”.

Comment: The issue of whether or when Poland will implement any legally binding measure adopted to further the 2050 goal will likely come up again, the latest when the EC puts forward the proposal on a European Climate Law in March 2020.

The **European parliament’s committee on Environment, Public Health and Food Safety (ENVI)** will now discuss the communication, as will the **Environmental Council**, starting with a discussion on 19 December. Both are expected to formally respond to the EC, through a non-binding own-initiative resolution or council conclusions, respectively.

The **EC is scheduled to adopt its 2020 Work Programme on 29 January 2020**. That document could add details to the initiatives that the EC will pursue immediately in 2020.

Comment: This will then trigger further active advocacy efforts towards the various EU institutions in order to shape the final outcome of these new, important, European Green Deal policies and laws. The incremental implementation of climate, environmental and related policies, which the new EC has now re-started for the next five years with the European Green Deal, will provide those stakeholders who understand the relevant EU decision-making processes and their implications with ample opportunity to do so.

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