

# The European Green Deal



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**DEVCO environment and climate week 2020**  
**Brussels**

## Facts are clear

- 9.5 people in 2050, 70% living in cities
- **Global extraction of resources** have tripled since the 70's and consumption of material will double in the next 40 years
- Already 60% of **world ecosystems are degraded**.
- We have lost 60% of mammals, birds, fish and reptiles.
- **Pollution** is responsible for an estimated 9 million premature deaths per year.

IPCC, IPBES, Global resource outlook...

TOP RISK for humanity, for the economy, for the planet

**The Green deal is a response to these planetary challenges**

# What if no action?!

Without action on climate change, the EU will see, in the lifetime of our children:



## Pollution

▲ **400,000**  
premature deaths  
per year today due to air pollution.

Source: European Environment Agency,  
Air quality in Europe – 2019 report



## Heat and drought

▲ **90,000**  
annual deaths as a  
result of heatwaves<sup>1</sup>

▲ **660,000**  
additional asylum  
applications per year in  
the EU at 5°C temperature  
increase<sup>2</sup>

▲ **16%**  
of species at risk  
of extinction at 4.3°C  
temperature increase<sup>3</sup>

**The Green Deal is a  
good investment**



## Water and flooding

▲ **40%**  
less available water  
in southern regions  
of the European Union

▲ **2.2 million**  
people exposed to  
coastal inundation  
each year

Source: European Commission's Joint Research Centre,  
PESETA IV, in press

▲ **Half a million**  
people exposed to river  
flooding each year



## Economics

▲ **€190 billion**  
annual losses projected for a 3°C  
increase in global average temperature

Source: Ciscar et al., 2014: Climate impacts in Europe,  
the European Commission's Joint Research Centre  
PESETA II project

▲ Globally, the number of **people at risk**  
of being forced from their homes by  
river flooding could increase to  
**50 million** a year

Source: Internal Displacement Monitoring Centre,  
Assessing the impacts of climate change on flood  
displacement risk, 2019

▲ Climate change could lead to a  
**20% food price rise** in 2050

▲ **Economic costs of heat-related  
mortality** could amount to more than  
**€40 billion** per year

# The EU response : the European Green Deal

The European Green Deal is about **improving the well-being of people**. Making Europe climate-neutral and protecting our natural habitat will be good for people, planet and economy. No one will be left behind.

*"The European Green Deal is our new growth strategy.  
It will help us cut emissions while creating jobs."*

*Ursula von der Leyen, President of the European Commission*



*"We propose a green and inclusive transition to help  
improve people's well-being and secure a healthy planet  
for generations to come."*

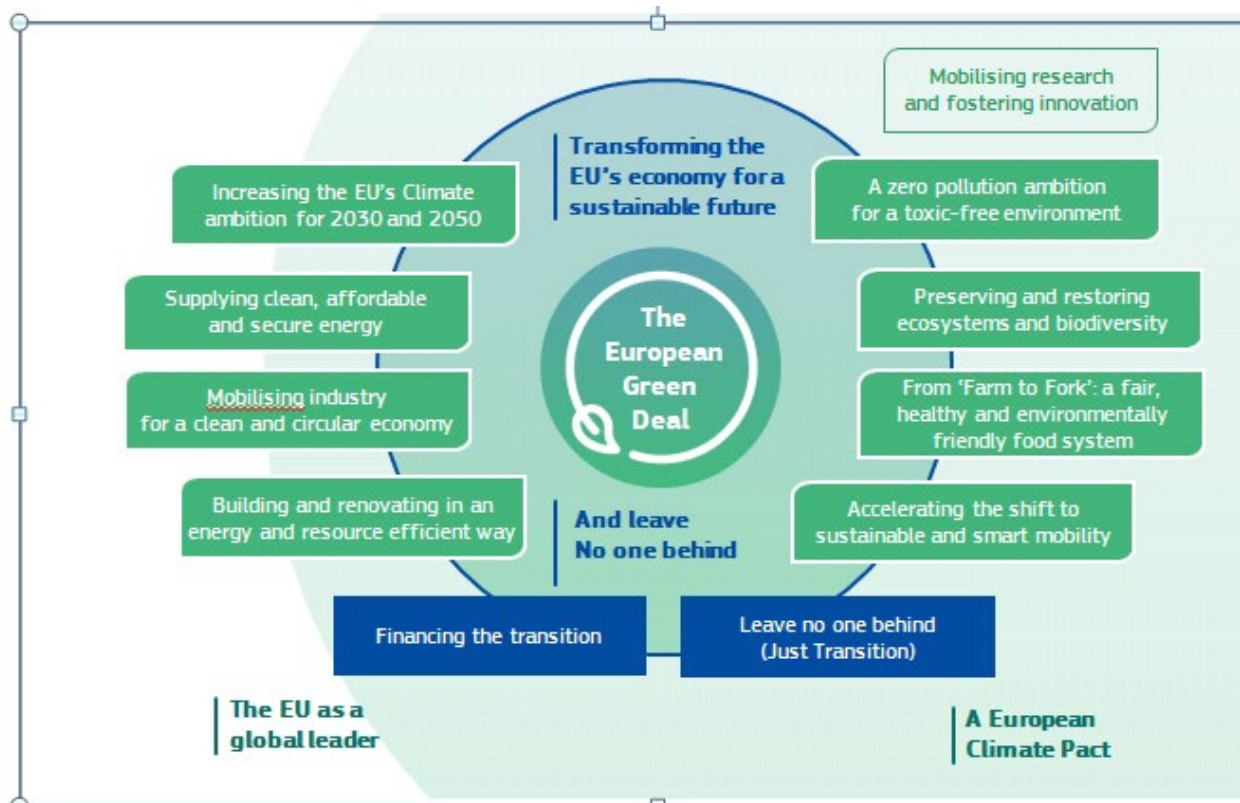
*Frans Timmermans, Executive Vice-President of the European Commission*

**PLANET – PEOPLE – PROSPERITY**

# A comprehensive strategy

An economic and social **transformative agenda covering all policies** (energy, transport, industry, trade, agriculture...)

And **mobilising all tools**: regulations and standards, policies, investments, taxation, education, research, diplomacy



It is about EU leadership- but the external dimension is there.

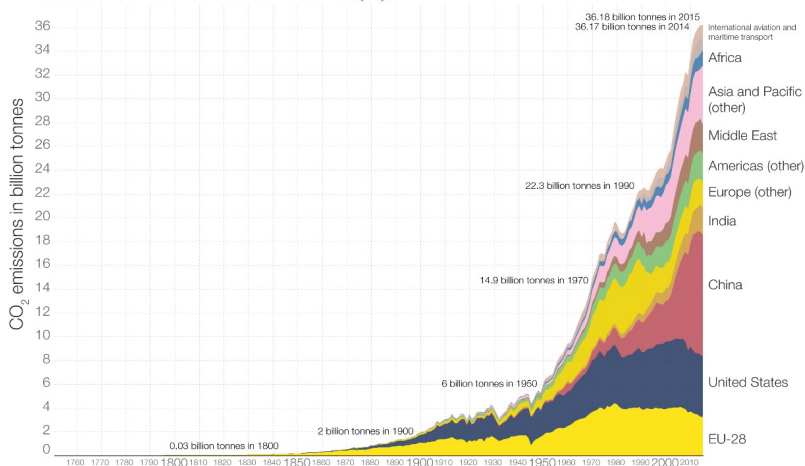
# CLIMATE AMBITION ENERGY, MOBILITY AND BUILDINGS



# CLIMATE- The challenge

## Global CO<sub>2</sub> emissions by world region, 1751 to 2015

Annual carbon dioxide emissions in billion tonnes (Gt).



Data source: Carbon Dioxide Information Analysis Center (CDIAC); aggregation by world region by Our World In Data. The interactive data visualization is available at [OurWorldInData.org](http://OurWorldInData.org). There you find the raw data and more visualizations on this topic.

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- **Countries failed to stop the growth in global GHG emissions, deeper and faster cuts are required.**
- **Under the current climate pledges, the world is heading for a 3.2°C temperature rise**
- **To respect the Paris objectives we need cuts in emissions of 7.6% per year from 2020 to 2030 to meet the 1.5°C goal and 2.7% per year for the 2°C goal**

## CLIMATE - The response

## Climate Neutrality

- European '**Climate Law**' enshrining the 2050 climate neutrality objective in legislation by end Feb 2020
- **Comprehensive plan** to increase the EU's climate target for 2030 to at least 50% and towards 55% in a responsible way
- **Review and revise where needed all relevant legislative measures** by June 2021
- **EU climate pact**: to engage all stakeholders
- A new **EU Strategy on Adaptation** covering policies, finance, infrastructure, value chains, capacities, regional approaches (including external)

→ EU focus but External dimension: higher standards, carbon leakage, carbon tax, international carbon markets

**Carbon border adjustment mechanism** for selected sectors by 2021



# Carbon Border Adjustment Mechanism



*“Should differences in levels of ambition worldwide persist, the Commission will propose a **carbon border adjustment mechanism**. [...] This measure will be designed to comply with **World Trade Organization** rules”*

*European Green Deal Communication*

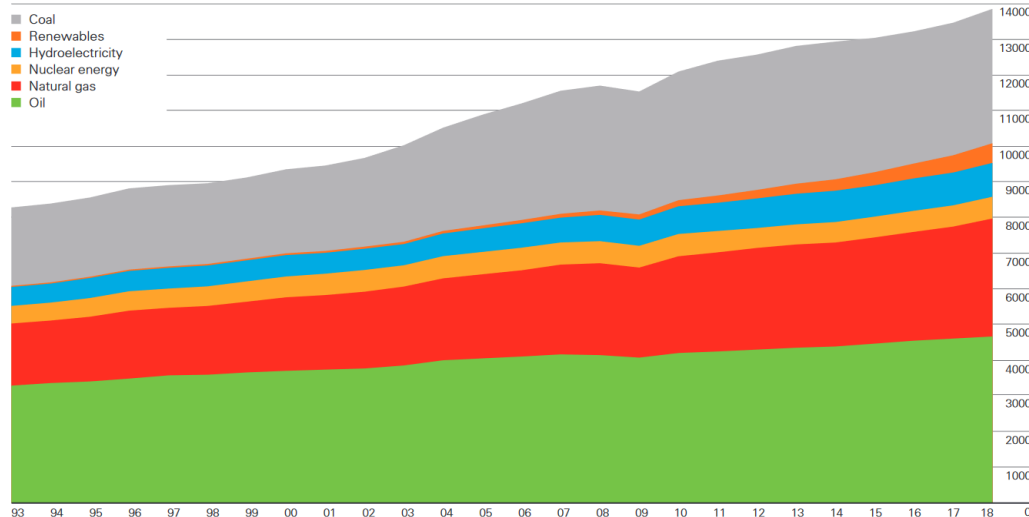
- Measure to address **carbon leakage** and help EU industry remain competitive ('level playing field')
  - Increase price of less accountable foreign products to match sustainable EU initiatives → import prices to reflect carbon content
  - Expected by 2021, for 'selected sectors'
- Multiple **challenges**



# ENERGY- The challenge

## Energy demand is growing...

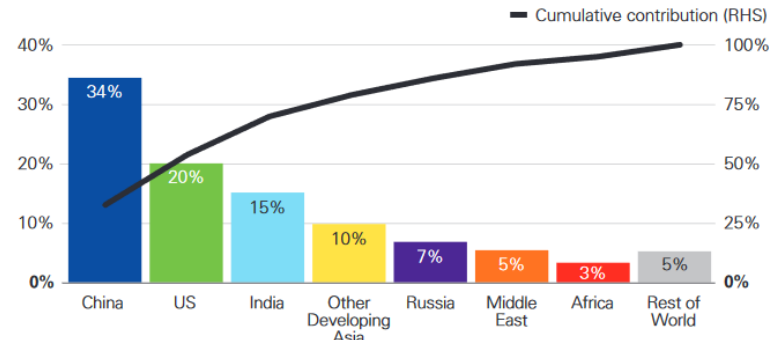
**World consumption**  
Million tonnes oil equivalent



## ...dominated by hydrocarbons.

### Primary energy

#### Contribution to primary energy growth in 2018



## ENERGY - The response

- Assess the ambition of the final **National Energy and Climate Plans** by June 2020
- Review and revise where needed the **Renewable Energy and Energy Efficiency Directive** by June 2021
- **Offshore wind** initiative in 2020
- Review the **TEN-E Regulation**

→ External dimension:  
mainly EU focused but  
impact on norms

Promote EU energy standards and technologies at global level

## MOBILITY AND CONSTRUCTION - The response

- **Renovation wave** for the building sector in 2020 **doubling the renovation rate**
- Strategy for **Sustainable and smart mobility** in 2020
- **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**
- More **stringent air pollutant emissions standards** for combustion-engine vehicles

→ External dimension: mainly EU focused – but impact of increased standards



Ending subsidies  
for fossil-fuel



Extending emissions  
trading to the  
maritime sector



Effective road  
pricing in the EU



Reducing free  
allowances to  
airlines under  
emissions trading

# CIRCULAR ECONOMY AND EU INDUSTRIAL STRATEGY

# A new industrial policy based on the circular economy

## - The Challenges



- From 1970 to 2017, the annual global extraction of materials **tripled** and it continues to grow.

Source: The International Resource Panel, [Global Resources Outlook](#), 2019



- More than **90%** of biodiversity loss and water stress come from resource extraction and processing.

Source: The International Resource Panel, [Global Resources Outlook](#), 2019



- EU's industry accounts for **20%** of the EU's emissions.

Source: European Commission, [EU Climate Action Progress Report 2019](#)



- Only **12%** of the materials used by EU industry come from recycling.

Source: [Eurostat](#), 2016 figures



# A new industrial policy based on the circular economy

## The response

- **EU industrial strategy** : foster the green and digital transformation
- **A new Circular Economy Action Plan by March 2020** to decouple growth from resource extraction and reduce EU footprint
- Efforts will focus on resource-intensive sectors such as:



textiles



construction



electronics



plastics

→ External dimension:  
covers EU support to  
partner countries  
+ shaping global standards

- **Sustainable product policy** : prioritise reducing and reusing materials before recycling them.
- Looking at **waste** (including export)
- Large scope: include consumer policy, public procurements, research, skills...

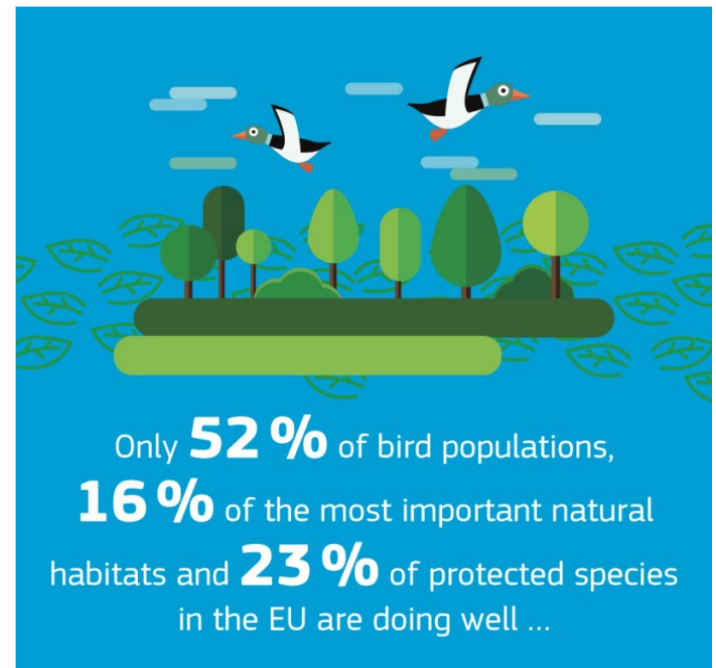
# BIODIVERSITY

## BIODIVERSITY Challenges

**Around 1 million animal and plant species are now threatened with extinction, many within decades, more than ever before in human history. (IPBES Global Assessment Report on Biodiversity and ecosystem services, July 2019).**

The five direct drivers of change in nature with the largest relative global impacts so far are, in descending order:

- 1) **Changes in land and sea use;**
- 2) **Direct exploitation of organisms;**
- 3) **Climate change;**
- 4) **Pollution and**
- 5) **Invasive alien species.**





## Biodiversity: the response

- **EU Biodiversity Strategy for 2030 in March 2020** in preparation for the 15<sup>th</sup> Conference of the Parties to the Convention on Biological Diversity in Kunming, China, in October 2020

= Internal and external commitments

- **Follow up with concrete measures in 2021** to address the main drivers of biodiversity loss
- **A new EU Forest Strategy in 2020 (with external dimension)**
- **Measures to support deforestation-free value chains from 2020**

→ External dimension:  
covers EU support to  
partner countries:  
conservation, restoration,  
taking root causes

# SUSTAINABLE FOOD SYSTEMS

## Food systems: the challenge

How can the world nutritiously feed nearly 10 billion people by 2050 in a manner that advances economic development while reducing pressure on climate, water, and ecosystems?

- **Global food systems** emit **20-35% of global GHG** , occupy **40% of the Earth's ice-free land area** and are the **largest driver of biodiversity loss**.
- At the same time, **food systems highly exposed to climate change and hunger on the rise**.
- **88 million tonnes of food are wasted** in the EU  
**Unhealthy diets contribute to increasing levels of obesity**
- Mitigation on the demand side requires changes in consumer's behaviour.



## The response

**From *Farm to Fork*: designing a set of deeply transformative policies so that European food become the global standard for sustainability systems**

### Objectives:

- Have a neutral or positive **environmental** impact
- Ensure **food security** and citizens' health
- Create an environment with the highest **possible standards of food safety and quality**

### *Meaning:*

- **Making food production** more sustainable (reduction of the use of chemical pesticides, fertilisers and antibiotics and promotion of organic food)
- Stimulate **sustainable food processing**, retail, hospitality and food services' practices (circular economy)
- Promote sustainable **food consumption**, facilitating the shift towards healthy, sustainable diets
- Reduce **food waste**

**→ EXTERNAL : Seek commitments to ensure transition to sustainable food systems globally**

# POLLUTION

## A Zero Pollution ambition for a toxic-free environment

### The challenge

- Pollution is responsible for an estimated 9 million premature deaths per year.
- Global annual waste generation is expected to increase by 70% by 2050



## A Zero Pollution ambition for a toxic-free environment

### The response

- Zero pollution action plan for air, water and soil in 2021
- Chemicals strategy for sustainability in summer 2020.

External dimension: EU focus  
but to include imported goods.



# IMPLEMENTATION

# Mainstreaming sustainability in all EU policies and actions

- **DO NOT HARM principle**
- **Review of existing policies**

## Other areas concerned by the Green Deal:

- **Green budgeting/procurement**
- **Tax reforms** (shifting tax burden to pollution)
- **Research and Innovation** (Horizon Europe)
- **Education and Training**





## How to finance the transition?

- **Significant investment needs** (current 2030 targets already EUR 260 billion annually for energy and climate in EU)
- **25% target for climate funding** across all EU budget(MFF 2021-2027).
- **Sustainable Europe Investment Plan (EUR 1 trillion)** including a **Just Transition Mechanism**
- **Work with the EIB** (climate target to 50% by 2025) and other financial institutions
- **Mobilisation of Private Sector**
- **Sustainable Finance Strategy in Autumn 2020.** Taxonomy, Corporate governance framework. EU green bond standard



***“The EU’s international cooperation and partnership policy should continue to help channel both public and private funds to achieve the transition.”***  
*European Green Deal Communication*

# EU as a global actor



## Global Action



The EU will :

- Continue to **promote and implement ambitious environment, climate and energy policy across the world**
- Convince and support partners **to take their share** through diplomacy, trade policy and development support
- Mobilise all **diplomatic channels** bilateral or multilateral (UN, G7, G20, WTO)
- **Standards setting– Market leverage and EU expertise** to improve norms and standards in partner countries
- **On climate: Engage with G20 countries** who are responsible for 80% of global greenhouse gas emissions. Revise and implement NDCs. Adapt to the needs of the least developed (adaptation, resilience) .
- Engage on fossil fuels subsidies
- **Make the respect of the Paris agreement** an essential element of all future comprehensive trade agreements.

Two important upcoming international events:

- **COP Biodiversity Kunming**
- **COP Climate Glasgow**

# Global Action



In terms of regional focus, the EU will :

- **Work with Africa** to bring climate and environment issues to the center of our relations. Proposal to launch NaturAfrica.
- **Build Green Alliances** with partner countries and regions in Latin America, the Caribbean, Asia and the Pacific.
- Following the Poznan Summit, **set up a Green Agenda for the Western Balkans**, mirroring the Green Deal.
- Establish environment, energy and climate partnerships with the **Eastern Partnership and Southern Neighbourhood**.

## Implementation

- To be translated in the future programming through specific programs and mainstreaming
  - Looking at cooperation areas that can be transformative
  - Green investments
  - Policy dialogue
  - Budget support
  - Green deal diplomacy
  - Communication
  - Join efforts with Member states, IO, IFIs
- How to integrate in programming?
  - How to work together?

