Green Deal Watch

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Between Compromise and Continuity

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About the Green Deal Watch

The "Green Deal Watch" was launched in 2020 by the Istituto Affari Internazionali (IAI) with the support of Edison. The aim of the project is to follow the evolution of the ambitious and cross-cutting "European Green Deal" strategy towards climate neutrality launched by the Von der Leyen Commission in December 2019. The "Green Deal Watch" follows the "Energy Union Watch" that IAI has published from 2015 to 2019 to monitor the evolution of the energy and climate policies under the previous legislature. The multiple ramifications of the Green Deal will now be read along four dimensions – 'driving the green deal', 'greening industry', 'supporting the transformation', 'strengthening security and diplomacy'. IAI will cover the debate among national and European stakeholders and report the key dynamics in order to help the reader better navigate the challenges and opportunities of the implementation of the European Green Deal (EGD). The Watch is produced on a quarterly basis, collecting official documents, public information and open source data, which are processed and analysed by the IAI team.

About IAI

The Istituto Affari Internazionali (IAI) is a private, independent non-profit think tank, founded in 1965 on the initiative of Altiero Spinelli. IAI seeks to promote awareness of international politics and to contribute to the advancement of European integration and multilateral cooperation, focusing on topics such as European integration, security and defence, energy and climate policies, as well as key regions such as the Mediterranean, the Middle East, Asia, Eurasia, Africa and the Americas. The IAI publishes an English-language quarterly (The International Spectator), an online webzine (AffarInternazionali), two book series (Quaderni IAI and IAI Research Studies) and other paper series related to IAI research projects.

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With the support of Edison

ABOUT THIS REPORT

This is the 11th issue of the Green Deal Watch, a quarterly report produced by the Istituto Affari Internazionali (IAI) with the support of Edison. This publication aims at monitoring and analysing the initiatives launched by the European Commission and discussed by the EU institutions and Member States under the umbrella of the Green Deal.

We present a general analytical Foreword at the beginning of each publication, followed by the in-depth monitoring of Green Deal activities, divided according to a breakdown revolving around a set of four dimensions, designed to match the guidelines so far expressed by the von der Leyen Commission.

These are:

- **Driving the Green Deal,** which will look at the macro areas of Energy and Transport. It will analyse the technological and policy evolution for renewables, sustainable mobility, and green gases and hydrogen, with a strong focus on the energy market (both for gas and electricity) and energy efficiency.
- **Greening industry,** which will observe and discuss the reconversion of industry and of energy-intensive sectors in

particular, with specific attention to the role of digitalisation, the upscaling of new technologies, R&I&D (Research, Innovation and Deployment) and circularity.

- **Supporting the transformation,** which will focus on energy governance, EU financing and funds, the Just Transition Mechanism and the repositioning of institutions such as the European Investment Bank (EIB).
- **Strengthening security and diplomacy,** which will tackle energy diplomacy aspects with specific attention to the Mediterranean, Africa, Russia, Asia and the US, as well as climate security and diplomacy and the role of the EU as a leader in the fight against global warming.

These four dimensions are followed by an in-depth section, where we will cover different kinds of content in each issue. This time we look at the opinion of Ambroise Fayolle, Vice-President of the European Investment Bank (EIB), in an interview published after the analysis of the four dimensions. A Timeline of initiatives envisaged under the European Green Deal concludes this report.

This Green Deal Watch aims at providing continuity to the analysis produced in the 16 issues of the Energy Union Watch (available here), the quarterly publication IAI dedicated to the Juncker Commission, which covered the whole five years of activities.

Foreword | Between Compromise and Continuity

The Green Deal is entering a more mature stage. At the time of its genesis in late 2019, the Green Deal was Ursula von der Leyen's calling card: a response to the Fridays for Future movement, an opportunity for Europe to portray itself as the "anti-Trump" by pursuing global leadership on climate change issues, and thus also a way to give more legitimacy and a clear mission to the incoming Commission. Almost four years later, and with the next elections in sight, von der Leyen and her College can look back on a vast, interwoven body of policy spanning the various aspects of the Green Deal, implemented through a substantial acquis of Green Deal legislation. The difficult debates on nuclear energy, industrial competitiveness and agricultural practices that we have witnessed over the past months in Parliament and Council are not so much a sign that the Green Deal has lost its way, but rather show that its execution now means confronting increasingly more fundamental, and thus uncomfortable, economic questions. This is not to imply that it has all been smooth sailing so far, but the degree of ideological charge attaching to some of the disagreements over key files seems higher and certainly more public. Discussions about the reconcilability of competitiveness and sustainability, the technologies that will be used to deliver the EU's mid-century carbon neutrality objective, and indeed the very energy sovereignty of the member states, are important, almost existential debates with which the European multi-level system needs to engage before the Green Deal can move ahead. The question is to what extent compromise on the remaining key issues can be reached before the impending elections completely dominate the European agenda. Across the four dimensions covered in this Green Deal Watch, we see some progress in this regard, but there are also signals that further, potentially deeper disagreement remains a possibility.

Even though the quarter covered in this issue usually witnesses a deceleration of legislative processes and policy advances, several important, and indeed surprising, developments for the Green Deal agenda have taken place in the last three months. The undeniably most sensational of these was the resignation of Executive Vice-President for the Green Deal, Frans Timmermans. Timmermans announced in July that he would step down from his Commission position if selected to contest the upcoming Dutch elections, which will be held on 22 November 2023, as the lead candidate for the Labour and Green Left coalition. His formal resignation followed on 22 August, after he had officially been rubber-stamped as leader through a vote by members of the GroenLinks and PvdA parties.
Commission President Ursula von der Leyen decided to break up Timmermans' powerful portfolio of Executive Vice-President, which combines the responsibilities of overseeing

the implementation of the Green Deal across all of the Commission's Directorates-General with the position of Commissioner for Climate Action. Instead, Maroš Šefčovič was selected to take up the Green Deal Executive Vice-President role alongside his existing responsibilities as Vice-President for Interinstitutional Relations.

Von der Leyen's 26 August Mission Letter to Šefčovič regarding his Green Deal responsibilities is largely a cut-and-paste of the letter sent to Timmermans in 2019, but a few additions are reflective of the current controversies that surround some key Green Deal files in Parliament and foreshadowed some of the announcements in her State of the European Union speech, discussed below. In her letter, the Commission President asks Šefčovič to "intensify the dialogue with industry and key stakeholders like forest owners and farmers", as well as to "lead the work to strengthen clean industrial innovation and competitiveness", a direct reaction to the agricultural and industrial concerns that had become more vocal and impactful in Parliament over the course of the year.

Šefčovič has a reputation as "a safe pair of hands". His appointment could be a sign of the urgency with which the Commission President is now seeking to finalise as many Green Deal portfolios as possible before June 2024. Šefčovič has been part of the College of Commissioners since 2009 and has had experience filling temporary vacancies, most recently when taking over as acting Commissioner for the Digital Single Market after the resignation of Andrus Ansip in 2019. He has proven himself adaptable and assertive, qualities he also showcased after taking over the lead role on Brexit. Šefčovič also has considerable experience in European energy policy. As Jean-Claude Juncker's Vice-President for the Energy Union, he helped shape and pass the influential Clean Energy for All Europeans legislative package, which is now gradually being updated as part of the Green Deal, and was an advocate for stronger EU energy diplomacy. Late in the term of the Juncker Commission, he also spearheaded the Clean Planet for All policy, which called for EU carbon neutrality by mid-century over a year before the arrival of the Green Deal. As a member of the von der Leyen Commission, Šefčovič has already been involved in the energy and climate sector, having been entrusted with the supervision of the EU Energy Platform, the tool for the facilitation of joint EU gas purchases based on the aggregation of gas demand through the AggregateEU mechanism. In the very first days after his appointment, Šefčovič sent strong signals that he will not let up on the ambition of the Green Deal but that he intends to stick with the line set out by Timmermans, a position that was echoed by the leadership of the Directorate-General for Climate Action a few days later.

On 25 August, the Dutch government put forward Wopke Hoekstra as Timmermans' successor. The Commission President formally proposed Hoekstra as Commissioner for Climate Action after she had interviewed him on 29 August. Hoekstra's nomination and endorsement by Commission leadership sparked controversy in Parliament due to Hoekstra's inexperience with environmental portfolios and his past as an employee of Shell, so that it was largely expected that he would face a tough hearing before Parliament's Environment Committee. In contrast, Šefčovič appointment had been treated as a fait accompli and his hearing, scheduled the day after Hoekstra's, was seen as little more than a formality. However, both nominees faced challenging questions, and their responses left the Committee unable to arrive at the votes needed to proceed to plenary. While Hoekstra was probed on his employment history and on the sincerity of the environmental beliefs that he set out in his opening statement, MEPs seemed frustrated with the lack of details that Šefčovič provided on the legislative agenda which he would pursue until the end of the current Commission's term. He was also pushed to distance himself from his party colleague Robert Fico, who led his Smer party to electoral success in the Slovak parliamentary elections on 30 September. It was only after both candidates had submitted written answers to additional questions from the Committee that group coordinators were able to reach the required two-thirds majority, ending in their confirmation by plenary on 5 October. Significantly, in their answers, both candidates committed to defending a 90 per cent EU greenhouse gas emissions reductions target for 2040.

In her State of the European Union (SOTEU) speech on 13 September, Ursula von der Leyen sought to reassure MEPs (not least from her own EPP Group) and voters across Europe that competitiveness and sustainability must go hand-in-hand in the Green Deal. The Commission President announced the establishment of targeted dialogues to make sure that the concerns of these constituencies are considered as the Union further pursues the Green Deal. She also appointed former ECB President and Italian Prime Minister Mario Draghi to prepare a report on the future of the EU's competitiveness, without revealing what guidelines, if any, she had given Draghi for this task.

Meanwhile, the announcement that got most press coverage was the initiation of an anti-subsidy probe into Chinese electric vehicles. While certainly a controversial step, with German carmakers being particularly opposed to a more hardline approach to China in the automotive sector due to fear of retaliations, the investigation itself now seems to have garnered increasing support, or at least acceptance from member states across the Union, including a reluctant German government. However, should the investigation find that market distortions are being caused by the Chinese government, renewed debate is sure to erupt when deciding on the next steps that the EU should take. Trade Vice-President Valdis Dombrovskis has been put in charge of conducting the investigation and has already sent strong signals that the EU will be "more assertive in tackling unfairness" during his visit to China in late September. The strong focus on competitiveness in von der Leyen's SOTEU speech shows that she wants to assure key conservative constituencies across the European Union, and her own EPP Group, that Europe will shift towards more aggressively safeguarding its competitive edge in its external relations, and listen more closely to the concerns of the sectors that may be negatively affected when implementing green policies within the Union. While her speech cannot be read as a capitulation to conservative interests, it shows that the Commission President seeks to confront these difficulties head-on to reach a compromise that will allow the Green Deal to stay on track.

Almost equally interesting were the Green Deal agenda items that the President did not mention in her speech. Neither the 2040 emissions reductions target nor COP-28 made it into her speech, though the former at least was part of the Letter of Intent that von der Leyen sent to the President of the European Parliament, Roberta Metsola. The SOTEU speech serves as the fil rouge of this edition of the Green Deal Watch, and further details of the announcements made on 13 September will be discussed within the individual dimensions below.

Now more than halfway through its mandate, the Spanish Presidency seems to have made good progress on its ambitious goal of completing the Fit for 55 package before the end of the year, thereby laying down a solid foundation for the current trio of presidencies. An objective of the Presidency that may prove difficult to meet is the completion of electricity market reform. While, as discussed in the next section, Parliament has now agreed a negotiating position on this file, intense discussion may still lie ahead. Another uncertainty is whether the Spanish Presidency can break the deadlock in the Council on the Commission's proposed revision of the Energy Taxation Directive.

Dimension 1

Driving the Green Deal

The past three months saw an intensification, but then, at last, a (temporary) resolution of the two Green Deal issues that had revealed considerable political divisions in Parliament: the Nature Restoration Law and the reform of the Union's electricity market rules. During the plenary session on 11–14 September, lawmakers were able to pass negotiating positions on both of these files. Both files, however, did not leave the chamber without last-minute attempts to foil their progress. Looking ahead, the path may be somewhat smoother for the Nature Restoration Law than for electricity market reform, where debates about the role of nuclear power are still very heated in the Council, and are rendering progress more difficult. While both files are now one step closer to becoming law, the divisions at the root of disagreement in Parliament are unlikely to have been voted away by deputies, and it is uncertain whether the dialogues with farmers and industries promised by President von der Leyen in her State of the European Union Speech will be able to bridge this gap.

A close call on nature restoration

The last issue of the Green Deal Watch already outlined the most controversial issues in the Commission's proposal for a Nature Restoration Law. To recapitulate briefly: the Commission's proposal for sector-specific restoration targets for different ecosystems in order to reach the 2030 target of having at least 20 per cent of all EU land and sea areas covered by restoration measures led to fears that those depending on these ecosystems for their income, such as farmers, could see devastating economic losses as a consequence. In July, conservative lawmakers launched a bid to reject the bill outright. This effort however, was defeated by a very thin margin on 12 July, with 324 MEPs voting to continue negotiation on the law and 312 voting to reject (with 12 abstentions). Trilogues started soon thereafter, on 19 July, and are expected to be less difficult to navigate than Parliament's negotiating position, given that the latter already incorporated many of the Council's proposed amendments. The Commission President, however, seems intent to make it clear that farmers will not be left behind. Speaking in her native German during the SOTEU speech, von der Leyen addressed farmers directly and thanked them for their contribution to the European Union's economy. She then went on to announce a series of dialogues with representatives of the agricultural sector to better understand and accommodate their concerns.

Electricity market reform sees last-minute challenge in plenary

The second controversial file on which Parliament was able to agree a negotiating position during the September plenary is electricity market reform. The status of new, and especially existing, nuclear energy vis-à-vis the key instrument of two-way contracts for differences (CfDs) continued to be difficult, even though the ITRE Committee had adopted its report on the file on 19 July, largely backing the modest, targeted reform proposed by the Commission in March 2023. However, French legislators dissatisfied with the outcome in the ITRE Committee launched a formal objection to the file moving to trilogues. The motion, initiated by Christophe Grudler of the centrist Renew Group, aimed at rejecting the negotiating position agreed by the ITRE Committee and would have led to a reopening of the file in plenary. MEPs from the French left, as well as from the far right, also objected to the reform, but did not sign Grudler's objection. Eventually, the negotiating position was adopted on 14 September with 366 MEPs voting in favour of proceeding to trilogues, with 186 MEPs voting against and 18 abstaining. The Council, and particularly the German and French governments, are still working on agreeing a common position. The French government is pushing for the eligibility of existing nuclear capacity for CfDs, while Germany is concerned about the risk of market distortions in favour of countries with large nuclear generation capacity, particularly France. The Spanish Presidency has scheduled an Energy Council on 17 October to try to resolve this deadlock and Germany has reportedly been working on several options for a compromise in order to be able to proceed to trilogues and conclude work on this file in the near future.

Progress on Fit for 55

Several important legislative files were closed by Parliament over the last three months as two key pillars of the Fit for 55 Package have now been officially approved by Parliament. On 11 July, Parliament adopted the energy efficiency directive. Energy efficiency will now be a target binding at the European level and energy consumption must be reduced by at least 11.7 per cent at the EU level compared to a 2020 business-as-usual reference scenario. The Commission's REPowerEU Plan had an enhancing effect on this target, pushing it from the initially proposed 9 per cent to the higher target of 11.7 per cent, the Commission having successfully framed energy efficiency as indispensable to the achievement of independence from Russian fossil fuels. The recast of the Renewable Energy Directive was also adopted in Strasbourg by Parliament on 12 September, now setting a binding Union-wide target of 42.5 per cent by 2030, and aiming for an even higher 45 per cent, a significant step up from the 32 per cent target included in the Clean Energy for All Europeans legislative package. Other Fit for 55 portfolios that have been closed are the Regulation on the Deployment of Alternative Fuels, and the Regulation on Sustainable Maritime Fuels.

Beyond Fit for 55

In her State of the European Union speech, Ursula von der Leyen announced a new Wind Power Package, aimed at making permitting procedures for wind installations easier, a source of delay on renewables progress in many member states. It is, however, still unclear what balance this package will strike between policy measures and legislative action. Regarding the latter, it will be interesting to see whether and how the package builds on, and learns from, the emergency permit expediting provisions that were introduced as part of the REPowerEU plan through

Council Regulation (EU) 2022/2577. Legislative progress was also made on the Commission's proposed recast of the Clean Air Directive, part of the Commission's Zero Pollution Action Plan. MEPs adopted their negotiating position, which includes the objective of EU alignment with WHO Air Quality Guidelines by 2035 at the latest.

Dimension 2
Greening Industry

In the SOTEU speech, Ursula von der Leyen promised that "Europe will do 'whatever it takes' to keep its competitive edge". Indeed, many of the measures announced by the Commission President seemed to pursue precisely this objective. Von der Leyen recognises that the Green Deal, and thus her legacy as President, is at risk if EU competitiveness is perceived to be sacrificed in favour of decarbonisation. Thus, the Green Deal announcements in her speech sought to reconcile both sides of the debate. Regarding clean energy technologies, von der Leyen underlined that Europe must not squander its existing competitive advantages, and claw back those that it had lost. The Wind Power Package discussed in the previous dimension is one such initiative. Another headline to emerge from the State of the European Union speech was the Commission President's launch of an Investigation into subsidies of Chinese electric vehicles. Von der Leyen also sought to send a clear message that she would review Europe's future competitiveness by appointing Mario Draghi to compile a report on this topic. She also announced a series of Clean Transition Dialogues with industry to make sure that their concerns are taken on board in the realisation of the European Green Deal. Meanwhile, progress was made in Parliament on a few of the key legislative measures that are designed to make the EU a contender in the global jostle over clean technologies and raw materials that will accelerate exponentially as the global energy transition progresses.

The green deal industrial plan: towards another nuclear stalemate?

The very core of the Commission's plan for competitiveness in a carbon-neutral Europe, the Green Deal Industrial Plan, is already making its way through the institutions, with Council and Parliament signing off on, or even increasing, the already ambitious targets of the Commission. In Parliament, the debate about the role of nuclear energy in the European Green Deal also extends to the Commission's proposal for a Net-Zero Industry Act. The ITRE Committee on 18 July reportedly reached a political agreement to simplify the list of low-carbon technologies considered strategic as per the Act, including nuclear energy in this list. As per the proposed legislation, strategic technologies benefit from priority financial support and expedited planning. A final decision on the ITRE Committee's negotiating position on the Act is expected to be taken on 25 October.

Regarding the second legislative pillar

of the Green Deal Industrial Plan, the Critical Raw Materials (CRM) Act, all actors involved seem to be more or less agreed on the direction of travel. Both member states and the European Parliament are clear that the Union's ambition in the CRM sector needs to proceed at speed. In a vote on 7 September, the ITRE Committee endorsed a higher 2030 benchmark for the processing and refining of so-called Strategic Raw Materials of 50 per cent as compared to 40 per cent proposed by the Commission in March 2023. In late June, the Council had voted to adopt the same increase in its negotiating position.

Additionally, ITRE members voted to modify the 2030 recycling benchmark for Strategic Raw Materials, set in the Commission proposal at 15% of the EU's annual consumption of each material. Instead, MEPs are advocating a change to a benchmark based on the raw materials contained in the EU's waste. At least 45% of these materials should be recycled by 2030, according to Parliament. A third notable change to the CRM Act proposed in the ITRE report is that Strategic Projects for the extraction, processing or recycling of raw materials, which under the Commission proposal would benefit from expedited permitting procedures and easier access to finance, will need to undergo stricter ESG standard verification. This move is likely targeted to quell concerns that expedited permitting could come at an environmental cost, or that, especially where these projects are located in resource-rich third countries, Strategic Projects could result in exploitative, extractivist dynamics. MEPs also voted to add aluminium to the list of Strategic Raw Materials, an amendment also supported by the Council. Plenary gave the go-ahead for trilogue negotiations in its vote of 14 September. In her SOTEU speech, von der Leyen announced that the first meeting of the so-called Critical Raw Materials Club will take place before the end of 2023. The Communication accompanying the proposal for the CRM Act imagines this Club as a diplomatic effort to gather likeminded countries that seek to diversify and secure their supply chain in a sustainable and values-based way.

Improving cross-border freight transport

On 11 July, the Commission presented another Green Deal legislative package, designed specifically to reduce emissions from the freight transport sector by encouraging the use of low(er)-carbon options and improving the efficiency of cross-border transport links. The Greening Freight Transport package consists of three bills. The Commission proposes a revision of rail capacity management rules and processes. By introducing more flexible rules and improving coordination between infrastructure managers, the Commission hopes to increase the efficiency and capacity of the EU's rail networks, especially with regard to cross-border services. The Commission also proposed a revision of the Weights and Dimensions Directive to accommodate and encourage the development of an increasingly low- or zero-emissions (and thus heavier) heavy-duty vehicle fleet, as well as higher loading capacity for vehicles, which increases efficiency. It also aims to streamline permitting procedures to make cross-border transport easier. Finally, the package contains measures to harmonise the methodology used to quantify emissions of different transport modes, making it easier to compare their climate impact.

In the meantime, the debate surrounding the future of heavy-duty vehicles in Europe continues to unfold in both Parliament and Council. Recently, the Parliament's Transport Committee adopted its opinion, for the first time including amendments that define carbon neutral fuels and promoting a mechanism to allow transport operators to account for their contribution in decreasing a vehicle's emissions. In the upcoming weeks, the lead ENVI Committee will conclude its work and is expected to reject the TRAN Committee's position. This disagreement will likely be resolved during the final vote in plenary, which is expected by the end of the year.

Industrial emissions

In this dimension of the Green Deal too, the concerns of European farmers, and the EPP group's allegiance to this core constituency, factored into legislative proceedings on the proposed revision of the Industrial Emissions Directive, which determines which large-scale industrial installations are subject to stricter regulatory supervision of their pollutants. In Parliament, conservative lawmakers were able to prevent the proposed sectoral extension of the Directive to cattle farms. For other livestock farms (pigs, poultry), Parliament's negotiating position significantly increases the threshold at which the Directive would apply from that the Commission's proposal. It is also considerably higher than in Council's 13 March negotiating position.

More Joint Purchasing

In her SOTEU speech, Ursula von der Leyen praised the success of the demand aggregation and joint purchasing mechanism introduced through REPowerEU in bringing down gas prices across Europe. Von der Leyen further stated that "we need to look at how we can replicate this model of success in other fields like critical raw materials or clean hydrogen". The demand aggregation mechanism was first instituted through a time-limited emergency regulation. In late September, a Commission review of these emergency measures recommended that some of them, including "certain aspects of the joint purchasing mechanism", should be made permanent features of EU energy law and included in the Gas Regulation.

Dimension 3
Supporting the Transformation

The expansion of the Green Deal Acquis also requires that the supporting procedural governance structure remains adequate to enable monitoring and progress-tracking across the Union. However, this aspect was a notable gap in Ursula von der Leyen's SOTEU speech. The fact that, at the time of writing, 12 member states still have not submitted updates of their National Energy and Climate Plans (NECPs), which were due on 30 June, is not a positive signal regarding member states' ability and willingness to follow through on the ambitious targets being agreed in Brussels. This unhelpful opacity on whether member states are doing enough to reach the 2030 decarbonisation target also makes it difficult to gauge whether they are likely to support the 90 per cent target which both Šefčovič and Hoekstra endorsed in their answers to the Environment Committee's questions, and which is based on recommendations by the EU's scientific advisory body.

Climate governance reform?

The conclusion of the Global Stocktake in Dubai sets the clock ticking on the definition of the 2040 target, which must be proposed by the Commission within six months. Additionally, the Commission is also legally bound by the Energy Union Governance Regulation to evaluate whether the planning-and monitoring system of NECPs remains fit for purpose within the same six-month timeframe. Over the summer, the Commission has sought feedback on an evaluation of its governance structure and its ability to get Europe to carbon neutrality by mid-century. This evaluation may be accompanied by legislative proposals. The fact that many member states have not complied with the requirement to update their NECPs by the end of June 2023 may lead the Commission to conclude that procedural requirements may need to be revisited in order to facilitate a more timely and structured dialogue between Commission and member states on the realisation of EU climate targets. The lack of enforcement avenues available to the Commission if member states do not contribute their fair share to EU-level targets is an aspect of EU climate governance that has been controversial from the inception of the Governance Regulation, but it is unlikely that member states will let the Commission encroach further on their energy sovereignty by agreeing to nationally binding targets.

EU taken to court on key climate laws

Just how difficult it may be to ask member states to consent to deeper EU involvement in their domestic energy affairs becomes clear when considering Poland's recent challenge of four Green Deal laws before the Court of Justice. These claims relate to recent changes to emissions reporting; emissions performance standards for cars and light commercial vehicles; the ETS market stability reserve; and indeed the headline emissions reduction target itself. A central claim by Poland in these cases is that the effects of the contested measures impact significantly on member states' energy sovereignty and thus are either in breach of the EU's foundational Treaties or should have been agreed by unanimous vote in the Council, rather than by qualified majority. Whatever the chances of success of these claims, it could be read as a sign of further disunity that these laws are being challenged before the EU's top court.

EIB presidency

Aside from the Commission Presidency, another upcoming EU top job appointment relevant for the future of the Green Deal, and indeed one that will outlast the term of office of the current Commission, is the choice of the next President of the European Investment Bank (EIB). Since branding itself as the EU Climate Bank and adopting an ambitious strategy to become Paris Agreement–compliant, the EIB has been an important actor in supporting the ambitions of the Green Deal. It has gained additional responsibility in the mobilisation of NextGenerationEU financing, and is likely to play an important role in facilitating investments towards the realisation of the Green Deal Industrial Plan. In this issue of the Green Deal Watch, we interview Ambroise Fayolle, the EIB Vice-President with responsibility for climate change, and ask him about the future of the Bank's role in supporting the Green Deal. While emphasising the EIB's achievements, the Vice-President is nonetheless clear that there is more work to be done, particularly when it comes to the Bank's actions in supporting a global green transition. Fayolle stresses the importance of a networked, united approach to this issue.

A strong climate leadership at the Bank is thus important, not just for the European Union's decarbonisation ambitions and energy sector resilience, but also for global efforts to mitigate and adapt to climate change. Top contenders for the position of EIB President are current Executive Vice-President for Digitalisation Margrethe Vestager and Spanish Finance Minister Nadia Calviño. Vestager garnered some attention recently when, during a press conference, she did not rule out that the Bank could provide financing for nuclear energy.

Dimension 4

Strengthening Security and Diplomacy

The international, diplomatic dimension of the Green Deal received no mention in Ursula von der Leyen's SOTEU speech. This is perhaps because the President had just returned from the G20 in New Delhi, where discussions on climate change did not make the progress that some leaders had hoped for regarding one of the most pressing questions of climate change, that of the phase-out of fossil fuels. In an op-ed written jointly with the President-designate of COP-28, Dr Sultan Al Jaber, as well as International Energy Agency Executive Director Fatih Birol, Director General of the International Renewable Energy Agency Francesco La Camera, President of Kenya William Ruto and Prime Minister of Barbados Mia Mottley, von der Leyen at the beginning of September called the upcoming COP-28 in Dubai "a critical chance to course-correct on climate change". Given the standstill on fossil fuel phase-out since the last COP in Sharm el-Sheikh, a successful diplomatic effort by the EU to move this issue forward could bolster European climate leadership claims, while a failure to address the topic head-on would be a discouraging sign that the conclusions of the sobering Global Stocktake have not translated into increased ambition, and could strengthen "whataboutist" voices within and outside the EU, thus further weakening the already somewhat wavering support of Green Deal policies within the Union.

Can the EU show climate leadership at COP-28?

International climate negotiations at COP-28 will be held in Dubai from 30 November to 12 December 2023. EU leaders have been critical of the progress achieved on climate issues at the G20 in India (and preparatory meetings). G20 leaders did agree on a rapid expansion of renewables and hydrogen infrastructure, as well as more energy efficiency measures. However, the tricky issue of a global fossil fuel (especially coal) phase-out remains unresolved. On climate finance, in particular for adaptation, heads of state in New Delhi seemed to be conscious that more needs to be done, but it remains to be seen whether real financial commitments will follow in Dubai. An important indicator in this regard will be the Loss and Damage Fund, which was established last year at

Sharm el-Sheikh and now needs to be adequately funded.

Frans Timmermans had stressed the problem of climate finance at an informal Environment and Energy Council hosted by the Spanish Presidency in Valladolid, and had stated that this is an issue where the EU will try hard to use its diplomatic efforts to come to a global resolution. But so far there seems to be very little progress. Timmermans has been a strong (and frank) voice in these exchanges on EU climate diplomacy, but will now be absent. Instead, it will be one of Wopke Hoekstra's first major tasks as Climate Commissioner to represent the EU at these talks and to try and put ambitious global objectives in place. In his answers to the Environment Committee's additional questions, Hoekstra affirmed his commitment to the EU's push for Loss and Damage financing and a global fossil fuel phase-out. Whether or not he will be able to mount an effective EU climate diplomacy in Dubai will be an early test for the new Commissioner.

EU-Exit from Energy Charter Treaty

In early July, the Commission presented a proposal for a coordinated withdrawal of the EU, Euratom and EU member states from the Energy Chater Treaty. At the time of its signature in 1994, the Treaty was seen as a way of increasing energy security by offering investors attractive guarantees and protections against state interference, including in scenarios where their investments support fossil fuel infrastructure. In recent years, the Treaty has increasingly been leveraged by fossil fuel companies against signatory countries whose decarbonisation policies they claim diminish the value of their investment. Resentment among EU member states has been building for years, ultimately resulting in a failed attempt at the EU level to modernise the Treaty. Withdrawal is now seen by the Commission as the only viable option. In fact, it may already be too late for the coordinated exit that the Commission is hoping for, as several member states have already announced that they will individually exit the agreement. Portugal was the latest to do so, announcing its withdrawal even after publication of the Commission proposal, on 20 July. One major issue to confront is that, even after withdrawal, companies based in Energy Charter Treaty Member States that are not EU member states will continue to be able to initiate legal actions to protect their investments in the EU for 20 years after withdrawal, due to a controversial "sunset clause" in the Treaty.

IN DEPTH

Interview Ambroise Fayolle

Vice-President of the European Investment Bank (EIB)

***Overall direction of the EIB's action on climate change:** With the Climate Bank Roadmap, the EIB set out its vision of how, over the period 2021-2025, it will transform itself from "an EU bank supporting climate" into "the EU climate bank". One of the headline targets of the strategy is to ensure that, by 2025, more than 50% of the Bank's investments support climate action and environmental sustainability, an objective which the Bank already achieved in 2022. Since we are now more than halfway through the Roadmap's five-year timeframe, how would you evaluate the EIB's journey so far? Are there more challenges that need to be overcome to complete the Bank's transformation?*

The EIB has been transforming itself into the "EU climate bank" through more than a decade of progress and substantial investment, tied to several milestones: the world's first green bonds in 2007, our first Climate Strategy in 2015 in the wake of COP21 in Paris, our new Energy Lending Policy in 2019, and now the Climate Bank Roadmap (CBR). The CBR set three commitments:

- *Increase the share of EIB annual climate action and environmental sustainability (green) financing to exceed 50% by 2025*
- *Support €1 trillion in green investment from 2021 to 2030*
- *Align all new operations with the principles and goals of the Paris Agreement by the start of 2021*

As our CBR Progress Report 2022 shows:

- *the bank has met one of its main commitments: to align new operations with the goals of the Paris Agreement.*
- *We are ahead of schedule on the commitment to exceed 50% green finance by 2025. When the roadmap was developed in 2019, the share of EIB financing for climate and environment was approximately 30% and has grown strongly since then, almost doubling to 58% in 2022.*

And we are on track to support €1 trillion of green investment by 2030. EIB green finance has risen from below €20 billion in 2018 to over €35 billion in 2022, supporting €222 billion of investments.

We do not intend to rest on our laurels though. This is the critical decade for *climate action. New estimates suggest the need to increase green investment globally by multiples of three to six by 2030 (e.g.* IEA World Energy Investment 2023*, or the* Independent High-level Expert Group on Climate Finance 2022*).*

The investment gap is particularly acute for emerging markets and developing countries (excluding China), compounded in many cases by an existing lack of fiscal space and deteriorating conditions to access international capital markets. This has led to renewed focus on the role of multilateral development banks.

For the EIB, the Climate Bank Roadmap remains a valid operational framework thanks to its four dynamic workstreams:

- *accelerating the transition through green finance*
- *ensuring a just transition for all*
- *supporting Paris-aligned operations*
- *building strategic coherence and accountability*

Accelerating the transition through green finance:
The EIB is supporting green investment across its client base and the focus areas of the European Green Deal, with an emphasis on: climate adaptation; environmental sustainability, including oceans and biodiversity preservation; advisory services to make more projects capable of attracting financing; and support for REPowerEU. In July 2023, we made a significant commitment to raising financing for REPowerEU to €45 billion. This additional financing on top of our normal lending activity to the energy sector is expected to mobilize over €150 billion in new green investments, contributing to Europe's ambitious target of net-zero carbon emissions by 2050. For its part, EIB Global, our financing arm dedicated to operations and partnerships beyond the European Union, will continue to develop its support for green finance in Africa, Asia, Latin America, with special attention to vulnerable states and regions.

Ensuring a just transition for all:
The EIB will continue to support the Just Transition Mechanism in the European Union, by enhancing climate investments in EU cohesion regions, while outside the European Union, we will also focus on new approaches to fragility and conflict. More of our plans will be presented at the forthcoming COP28. The EIB is mainstreaming gender equality and women's economic empowerment considerations in our green financing activities globally. Women are powerful agents of change. They are more likely than men to start businesses focused on sustainability, and companies with women on their boards are likely to improve energy efficiency, lower costs and invest in renewable power generation.

Supporting Paris-aligned operations:
The EIB will continue to be guided by its existing policies (like the low-carbon framework for operations and the framework for Paris alignment of counterparties, or PATH), with adjustments for lessons learnt in recent years

and ongoing EU and global market and regulatory developments, as well as emerging best practice.

Building strategic coherence and accountability:
the EIB Group will continue to engage with stakeholders, clients, and the Platform on Sustainable Finance to develop its approach to alignment with the EU's evolving sustainable finance framework. This is one of the lessons learnt in the past few years – how to combine the implementation of the EU Taxonomy with an ongoing dialogue with business and our own clients to better understand the challenges faced in applying the requirements of the Taxonomy.

EU strategic autonomy: *From the beginning, the EIB has supported the EU's REPowerEU plan, and has recently announced an increase of its financing targets related to REPowerEU to €45 billion until 2027. How has the Bank ensured that its financing for EU independence from Russian fossil fuel imports supports, rather than undermines, the EU's climate targets? Further, while the most immediate threats to the EU's energy security seem to have been seen off, how do you envisage the role of the EIB in supporting the long-term strategic energy autonomy of the EU?*

The EIB Energy Lending Policy (ELP), adopted in 2019, sets out how the Bank, as a public bank, can help support the EU in meeting its ambitious climate and energy targets, by ruling out any financing for new projects based on unabated fossil fuels by 2021 and by significantly increasing investments in energy efficiency and renewable sources of energy. Since 2022, the energy sector has been confronted with the Ukraine conflict, which has sparked an energy crisis that exposed Europe's dependency on Russian and overseas supplies of fossil fuels. In response, the European Union launched REPowerEU, an ambitious plan to reduce EU dependence on fossil-fuel imports and accelerate the green transition.

The EIB is fully behind REPowerEU, and our commitment is coherent with our Energy Lending Policy. Whether we stop financing new fossil-fuel projects for climate reasons or free ourselves from importing Russian fossil fuels for security reasons, this only shows that the future does not lie in fossil fuels, but in renewable and low-carbon sources of energy.

The long-term strategic autonomy of the European Union is best guaranteed by making a big step into the world of clean energy generation, energy efficiency, new technologies for power storage solutions and other ways to transform the energy sector. This is what we are doing at EU and EIB level.

The International Energy Agency points out that the global energy crisis due to the war in Ukraine drove a sharp acceleration in installations of renewable power, with the total worldwide set to almost double in the next five years. The EIB, alongside other development finance institutions, has an important *role to play in providing the necessary finance for clean energy projects: for example, the development, manufacturing and deployment of renewables, energy efficiency solutions or flexible grids. The Bank's support is essential to de-risk those projects and mobilise additional financing from both the public and the private sector. Between 2018 and 2022, the EIB backed clean energy projects with around €56 billion. More is to come.*

Green Deal Industrial Strategy: *The EIB's financing of REPowerEU also supports the Green Deal Industrial Strategy, which aims to boost the EU's global competitiveness in clean energy technology manufacturing. The Strategy, and the Commission's proposal for the Net-Zero Industry Act, has been met with scepticism in some circles as to whether it can compete with the United States' Inflation Reduction Act. Do you consider this framing of 'competition' between both strategies accurate or useful? And how does the EIB see its role in supporting the Green Deal Industrial Strategy?*

Despite all the fears it has provoked, the IRA is ultimately a step in the right direction. It provides massive support for green sectors where more investment is urgently needed, and it shows that the United States and Europe are finally aligned in pursuing a sustainable economic transformation. Europeans should welcome US eagerness to scale up its renewable-energy capacity, and that it is putting its money where its mouth is.

The IRA's goal of building modern low-carbon infrastructure is not itself a problem for the European economy. On the contrary, in sectors like wind energy, where Europe is a technology leader, higher investment demand is a positive development. In addition to having a positive effect on the climate, US subsidies will provide new business opportunities for European firms.

The EIB can support the Green Deal Industrial Strategy in many ways. In July, the EIB Board of Directors not only approved the Bank's increased contribution to REPowerEU; in response to the European Commission's Green Deal Industrial Plan, the bank also expanded its eligibilities to facilitate finance for manufacturing in state-of-the-art strategic net-zero technologies. These include solar photovoltaic and solar thermal technologies, onshore and offshore wind, battery and storage, heat pumps and geothermal technologies, electrolysers and fuel cells, sustainable biogas, carbon capture and storage and grid technologies. Investment in the extraction, processing and recycling of critical raw materials was made eligible for EIB finance.

The EIB Group can also enhance effective and reliable access to risk finance, by:

- *Providing finance for Europe's green tech champions, high-risk demonstration projects (such as those in the field of green hydrogen) as well as investment to decarbonise Europe's heavy industry and manufacturing sector*

- *Working together with the European Commission to scale up the de-risking of innovative and green investments under the InvestEU programme*
- *Teaming up with local banks in every country to help European small and medium-sized enterprises to turn green*
- *Filling market gaps for so called large-ticket equity investment. The lack of depth in capital markets (including venture capital and private equity) means that promising European innovators in green technologies often turn elsewhere in search of capital or end up being bought by competitors.*

That's why the EIB Group launched this year the European Tech Champions Initiative*, a fund of funds that will provide much-needed, late-stage growth capital to European innovators. So far, five EU countries (Belgium, France, Germany, Italy, Spain) have joined the fund. We encourage others to follow suit. For some areas, like electricity production, clean solutions are already cheaper and faster to deploy than fossil fuels. But for others, like aviation or heavy industry, we still need clean alternatives which are economical. That's why innovation is key and as such, it is part of our priorities.*

Finance for Critical Raw Materials: *Another aspect of the Industrial Strategy that has received a lot of attention lately is the EU's approach to Critical Raw Materials (CRMs). How can the EIB support the EU's CRM ambitions, both within and outside the EU's borders? Relatedly, the Commission's proposed 2030 benchmark of domestically extracting 10% of the EU's annual consumption of certain, strategic CRMs has raised some environmental concerns. How will the EIB engage with the EU's aim to increase mining activities, and how will the Bank ensure that any mining projects it supports do not compromise its environmental and climate achievements?*

The EIB has substantial experience across the full value chain of raw materials, with loan signatures totalling around €3.5 billion in the last five years. Both inside and outside the European Union, the EIB's financing can cover the extraction, refining, processing, recycling and development of key materials for product supply chains.

Our current activities focus mainly on resource efficiency, innovation and recycling across the critical raw materials supply chain and critical raw materials-adjacent sectors such as manufacturing of equipment or digital solutions. These are key to identifying substitute materials (to reduce our dependency on a small number of commodities), scale-up the use of secondary raw materials, or increase product lifetime.

In terms of supply chain, most of our investments concern projects in the midstream and downstream supply chain of critical raw materials, including battery-active material, polysilicon materials and silicon wafers for semiconductors, and photovoltaic cells manufacturing. We respond to the *market demand, currently coming primarily from participants of these steps in the supply chain.*

Mining projects are the most challenging to finance, because of environmental and social issues. This is why we have not financed any mining project in the last 10 years. However, certain mining projects are eligible for EIB financing. For any future financing of a mining project, we would conduct a thorough screening of all aspects relevant to the project, including the related upstream and downstream stages of the value chain, the impact on climate change and the environment, the relationship with communities and employees.

Mining deposits in Europe are limited. Therefore, we will continue to rely on supplies from abroad. When building partnerships with countries outside the European Union, Europe can bring high environmental and social standards and advanced technologies that generate significant skilled employment and wider economic benefits for the local communities and partner countries.

We need a new set of materials, such as lithium, silicon metal, rare earth elements, graphite, gallium, and germanium, for the green transition. These commodities are used in solar panels, semiconductors, batteries and wind turbines. Our future depends on this transition to carbon-neutrality. At the same time, it cannot come at the cost of creating a whole new set of environmental problems. We need to be very careful and manage mineral extraction and processing properly, following high environmental standards and supporting solutions with a lower carbon footprint.

International signals for climate finance: *In a July 2023 Op-ed for Devex, you draw an overall positive balance of the June Summit for a New Global Financing Pact. But you also acknowledge the challenges that lie ahead for multilateral development banks, especially in mobilising adequate adaptation finance. Looking ahead to COP28 in Dubai this winter, what do you think would be the most-needed signals from world leaders to help you rise to this challenge?*

Mitigation remains a priority. In line with the call of UNFCCC parties to keep the 1.5 degree alive, COP28 participants will likely address the aim of enhancing mitigation ambition and implementation of nationally determined contributions and long-term low-emission development strategies. But equally important is enhancing adaptive capacity and resilience to climate change. Developed countries need to demonstrate their delivery on the commitment of $100 billion per year and to double adaptation finance by 2025. And 2023 is the year when the framework for the Global Goal on Adaptation will be further developed. There are important synergies with agriculture and food security, nature-based solutions, water vulnerability, *livelihoods, and health. The EIB has committed to tripling its adaptation financing by 2025 and we are working hard to deliver on this goal.*

Building on the high-level statement on Just Transition Outside the European Union that we made at COP27, the EIB is also finalising a comprehensive proposal for just transition and just resilience that is expected to be in place by year-end. This will underscore our commitment to lead a green and fair transition within and outside the European Union.

We need to help low-income countries become more resilient to shocks. Natural disasters, which could push borrowers into distress, are set to become more frequent and more intense. When they occur, we need to leave room for the countries to deal with their consequences. During the Paris summit, the European Investment Bank announced its intention to offer debt deferrals – through so-called climate resilient debt clauses – in the finance contracts of the most vulnerable countries affected by climate and other natural hazards. This will be implemented through pilot projects in least-developed countries and small-island developing states. The EU bank is also looking to offer debt-for-nature or debt-for-climate swaps that could help countries lower their debt in return for nature conservation or climate action commitments.

There is another important aspect to climate finance that is being addressed: borrowing money and the use of capital markets, not just lending. The European Union's Global Green Bond Initiative, in which the EIB is a central actor, aims to mobilize capital from institutional investors to finance climate and environment projects by developing green bond markets. Backed by a €1 billion Team Europe and UN fund, which aims to mobilize $15 billion to $20 billion over its lifetime, it is just one example of the kind of new thinking that is needed.

The EIB is uniquely placed to work on green bonds, as the Bank pioneered them in 2007 under the name of Climate Awareness Bonds (CABs), which were followed in 2018 by Sustainability Awareness Bonds (SABs). The EIB is today the largest multilateral development bank issuer of green and sustainability use-of-proceeds bonds with €70.5 billion in issuance (CABs: €56.6 billion; SABs: €13.9 billion) across 23 currencies.

I would like to conclude by stressing the importance of partnerships. Just last month in New York, on the side-lines of the UN General Assembly, the EIB signed a cooperation agreement with five United Nations institutions that enables the EIB to directly finance technical assistance or advisory support provided by this core group of UN partners: the United Nations Development Programme, the World Health Organization, the Food and Agriculture Organization, the United Nations Office for Project Services, and the International Organization for Migration. UNICEF might soon join us.

This will make it easier to work on joint initiatives, in which UN partners help project promoters prepare and implement projects eligible for EIB financing, whether for climate action, clean and efficient energy or for healthcare. This will allow us to work in parts of the world that are most in need and where conditions are most challenging.

AP-PEN-DIX | TIME LINE

This timeline highlights the main elements proposed by the Commission under the umbrella of the Green Deal since its first presentation in December 2019. The list is not exhaustive, but aims to provide an overview of the Commission's work during these years. The list is an expanded version of the Commission's own timeline, available here:

https://ec.europa.eu/info/strategy/priorities-2019-2024/european-green-deal_en

5 October 2023
European Parliament approves Wopke Hoekstra as Commissioner for Climate Action and Maroš Šefčovič as Executive Vice-President for the European Green Deal.

14 September 2023
European Parliament adopts negotiating positions on electricity market reform and Critical Raw Materials (CRM) Act.

13 September 2023
Ursula von der Leyen delivers State of the European Union speech; European Parliament adopts negotiating position on recast of the Clean Air Directive.

12 September 2023
European Parliament adopts amendments to Renewable Energy Directive (RED III).

29 August 2023
Ursula von der Leyen proposes Wopke Hoekstra as Commissioner for Climate Action.

22 August 2023
Frans Timmermans resigns as Executive Vice-President for the European Green Deal; Maroš Šefčovič is appointed as new Executive Vice-President and Acting Commissioner for Climate Action.

19 July 2023
Beginning of trilogues on nature restoration law; ITRE Committee adopts report on electricity market reform.

12 July 2023
European Parliament adopts negotiating position on nature restoration law.

11 July 2023
Commission presents Greening Freight Transport Package; Parliament adopts agreement on recast of Energy Efficiency Directive; European Parliament adopts negotiating position on Industrial Emissions Directive.

7 July 2023
Commission presents a proposal for coordinated withdrawal from Energy Charter Treaty.

EU Energy Platform: Commission launches second tender for joint gas purchases.

27 June 2023
Amended version of the Nature Restoration Law does not reach the majority in the Environment Committee; final vote sent to plenary.

26 June 2023
EU Energy Platform: Commission launches second round of demand pooling for joint gas purchases by EU companies.

20 June 2023
The Commission publishes the two delegated acts defining the rules for the production of renewable hydrogen.

16 June 2023
EU ambassadors reach political deal to approve the Renewable Energy Directive (REDIII).

8 June 2023
European Parliament reaches political agreement to approve the Nature Restoration Law after facing opposition from MEPs of the European People's Party (EPP).

16 May 2023
25 gas supplying companies respond to EU's joint gas demand, providing more than 13.4 bcm of gas.

After being approved by the European Parliament, the CBAM enters into force.

The EU Deforestation-free Regulation (EUDR) is adopted by the Council after its adoption by the Parliament and thus enter into force.

15 May 2023
EU Member States agree to raise renewable target from 32% to 42.5% by 2030.

4 May 2023
First joint gas purchase attracts demand from more than 65 EU companies.

26 April 2023
The European Parliament and the Council reach a political agreement on the ReFuelEU Aviation proposal

25 April 2023
EU Energy Platform: Commission launches first call for companies to jointly buy gas

Council adopts key pieces of legislation delivering on 2030 climate targets: Revision of the ETS Directive; Amendment of the MRV shipping Regulation; Revision of the ETS Aviation Directive; Regulation establishing a Social Climate Fund; Regulation establishing a Carbon Border Adjustment Mechanism.

21 April 2023
The Commission proposes a revision to the existing marketing standards of agri-food products

18 April 2023
The European Parliament approves the Carbon Border Adjustment Mechanism (CBAM).

30 March 2023
European Green Deal: EU agrees stronger legislation to accelerate the rollout of renewable energy.

28 March 2023
Member states agree to extend voluntary 15% gas demand reduction target.

28 March 2023
EU ministers sign off on legislation phasing out sales of new polluting cars and vans by 2035.

16 March 2023
Proposal for a European Hydrogen Bank.

16 March 2023
EU proposes the Critical Raw Materials Act, a comprehensive set of actions to ensure the EU's access to a secure, diversified, affordable and sustainable supply of critical raw materials.

16 March 2023
EU releases Net Zero Industry Act establishing a framework of

measures for strengthening Europe's net-zero technology products manufacturing ecosystem.

14 February 2023
The Commission proposed new CO2 emissions targets for new heavy-duty vehicles from 2030 onwards. These targets will help to reduce CO2 emissions in the transport sector.

13 February 2023
The Commission proposed rules to define what constitutes renewable hydrogen in the EU, with the adoption of two Delegated Acts required under the Renewable Energy Directive.

1 February 2023
The Commission presented a Green Deal Industrial Plan to enhance the competitiveness of Europe's net-zero industry and support the fast transition to climate neutrality.

24 January 2023
The European Commission introduces the revision of the EU Pollinators Initiative.

18 December 2022
The European Commission welcomed the provisional agreement reached with the European Parliament and Council to strengthen the EU Emissions Trading System, apply emissions trading to new sectors for effective economy-wide climate action, and establish a Social Climate Fund.

9 December 2022
The Commission welcomed the deal reached between the European Parliament and the Council to help make the aviation sector 'Fit for 55', setting in law its contribution to our target of reducing net greenhouse gas emissions by at least 55% by 2030.

6 December 2022
EU agrees law to fight global deforestation and forest degradation driven by EU production and consumption and the a political agreement is reached on the revision of the EU Emission Trading System rules on aviation.

30 November 2022
The Commission proposed new EU-wide rules on packaging, to tackle this constantly growing source of waste and of consumer frustration.

24 November 2022
During the extraordinary Council for Energy, EU energy ministers agreed on a Council Regulation "enhancing solidarity through better coordination of gas purchases, exchanges of gas across borders and reliable price benchmarks", as well as on a Regulation speeding up permits to deploy renewable energies.

27 October 2022
The Council and the European Parliament reach a provisional political agreement on stricter CO_2 emission performance standards for new cars and vans.

26 October 2022
Commission proposes stronger rules for cleaner air and water, including PFAs, several pesticides, bisphenol A and some pharmaceuticals.

15 September 2022
Commission proposes for an emergency market intervention to reduce energy bills for Europeans, through reduced demand and a revenue cap on some producers (among other measures).

20 July 2022
Commission proposes a "Save gas for a safe winter" plan to reduce gas consumption until the following spring.

22 June 2022
Commission launches a Nature protection package, focusing on restoring ecosystems and halving pesticide use by 2030.

18 May 2022
Commission launches the REPowerEU plan, a set of measures triggered by the invasion of Ukraine and focusing on energy saving, supply diversification and the promotion of renewables.

5 April 2022
Commission proposes two Regulations to phase down fluorinated greenhouse gases and ozone depleting substances.

5 April 2022
Commission proposes an update to the Industrial Emissions Directive, to modernise EU industrial emissions rules to steer large industry in long-term green transition.

30 March 2022
Commission launches Proposals to make sustainable products the norm in the EU, boost circular business models and empower consumers for the green transition, as part of the Circular Economy Action Plan.

23 March 2022
Following the REPowerEU Communication, Commission publishes options to mitigate high energy prices through common gas purchases and minimum gas storage obligations.

8 March 2022
As a direct response to the invasion of Ukraine by Russia, the Commission publishes the REPowerEU Communication, focused on energy prices, storage and diversification.

15 December 2021
Commission publishes a set of proposals for a new EU framework to decarbonise gas markets, promote hydrogen and reduce methane emissions, namely a Directive and a Regulation.

15 December 2021
Commission publishes a Communication on Sustainable Carbon Cycles, to remove, recycle and sustainably store carbon, which will be followed by a proposal for a regulatory framework by the end of 2022.

14 December 2021
Commission launches a new transport proposal targeting greater efficiency and more sustainable travel, focusing also on the TEN-T network.

17 November 2021
Commission proposes two Regulations and a Strategy to stop deforestation, innovate sustainable waste management and make soils healthy.

15 September 2021
Commission publishes a Communication launching the project New European Bauhaus, focusing on initiatives and funding dedicated to energy efficiency in buildings.

14 July 2021
Commission adopts a large package of proposals to achieve a 55 per cent emissions reduction by 2030. The comprehensive package deals with revision of the EU Emission Trading System (ETS), the Effort Sharing Regulation, the Renewable Energy Directive, the Energy Efficiency Directive, a ReFuelEU Aviation Initiative (on air transport), a Regulation on Land Use, Forestry and Agriculture, a proposal for a Carbon Border Adjustment Mechanism (CBAM) and a revision of the Energy Taxation Directive.

17 May 2021
Commission proposes a Communication on a new approach for a sustainable blue economy in the EU.

12 May 2021
Commission adopts a Zero Pollution Action Plan for Air, Water and Soil, to improve quality standards for all three, and reduce the impact on health, among other goals.

25 March 2021
Commission publishes an Organic Action Plan as part of its Farm-to-Fork strategy.

24 February 2021
Commission adopts a new EU strategy on adaptation to climate change.

18 January 2021
Commission first launches the design of the New European Bauhaus initiative, dedicated to energy efficiency in building.
10 December 2020
Commission proposes an upgrade on the legislation on batteries, also trying to boost the European Battery Alliance, launched in 2017.

9 December 2020
Commission launches a European Climate Pact, to spread awareness and increase the involvement of citizens.

19 November 2020
Commission presents an Offshore Renewable Energy strategy, aimed at increasing the current 12 GW capacity to a minimum of 60 GW by 2030 and 300 GW by 2050.

14 October 2020
Commission publishes three significant elements for the Green Deal: a Renovation Wave initiative on energy efficiency for building, a Methane Strategy focused on decarbonised gases, and a Chemicals Strategy for Sustainability to strengthen legislation on hazardous chemicals.

17 September 2020
Commission presents its 2030 Climate Target Plan, raising its ambition to reach a 55 per cent emissions reduction by 2030.

8 July 2020
Commission adopts EU strategies for energy system integration and hydrogen to pave the way towards a fully decarbonised, more efficient and interconnected energy sector.

20 May 2020
Commission presents two key strategies: its EU Biodiversity Strategy for 2030, and its Farm-to-Fork Strategy to make food systems more sustainable.

11 March 2020
Commission proposes a Circular Economy Action Plan, to expand and integrate previous work on circularity into the Green Deal.

4 March 2020
Commission proposes a European climate law, aimed at reaching climate neutrality by 2050.

14 January 2020
Commission presents two founding elements of the Green Deal: the European Green Deal Investment Plan and the Just Transition Mechanism.

11 December 2019
Commission presents the European Green Deal.

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