Green Deal Watch

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Climate Policy in Times of Conflict

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ABOUT THIS REPORT

This is the 18th 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 EU institutions and member states under the umbrella of the Green Deal.

A timeline of initiatives envisaged under the European Green Deal concludes this report.

1. A more conflictual reality for European climate and energy policies

During the last few months, multiple debates on climate and energy have been reopened. From climate targets to green reporting, from the ETS2 to the 2035 combustion engines ban, the Commission has offered examples of reconsidering its past term stance on climate policies – now to be balanced not just with industrial competitiveness, but, in an ever more complex geopolitical landscape, with its renewed focus on EU defence capabilities as well. Indeed, attempts to boost the EU defence expenditure, as detailed in the ReArm Europe Plan, foresee 800 billions of additional defence spending up to 2030, leading to necessary trade-offs between different priorities. On paper, the 2026 Commission work programme (presented on 21 October) exemplifies that sustainability and competitiveness have remained priorities. However, small actions – like the renaming of the proposed Industrial Decarbonisation Accelerator Act as just Industrial Accelerator Act – signals a change of pace. The continuing reopening of existing legislation offers other clear signs – such as the revision of the CO2 standards for cars and vans and the amendments bundled in the Sustainability Omnibus of the Corporate Sustainability Reporting Directive (CSRD), the Corporate Sustainability Due Diligence Directive (CSDDD), the Carbon Adjustment Mechanism (CBAM) and the InvestEU Regulation. Member states, groups in the Parliament and the Commission are struggling to define a common stance on energy, climate and industrial issues to respond to intensified geopolitical competition – as exemplified by the EU's difficulty in responding to the US capture of Venezuelan President Nicolas Maduro and renewed tensions over Greenland.

Indeed, the US aggressive stance over Greenland showed that the transatlantic relationship has reached its lowest point in years. On 4 December, the publication of the US National Security Strategy had already confirmed the anti-EU attitude of the current US administration and this opposition becomes even more evident when looking at the Strategy's energy and climate elements. As expected, it echoes President Trump's stance on climate change, which has "greatly harmed Europe, threatened the United States, and subsidized our adversaries". Moreso, the text also explicitly codifies the concept of Energy Dominance as a top strategic priority, calling to restore American energy dominance in the oil, gas, coal and

nuclear sectors and to reshore their necessary key energy components. The US has already pursued this goal, leveraging tariffs and other economic pressures. This was exemplified by the July EU-US trade deal, which saw the Commission pledging to buy up to 750 billion dollars of US energy material over the coming three years. The deal has now been blocked, as on 22 January the European Parliament agreed to suspend it in response to US threats of new tariffs over Greenland. Despite division inside the EU over which other measures to adopt in response, the US later backed down from imposing new tariffs. In this context, US attempts to exert pressure on Europe are made worse by the EU over-reliance on Washington LNG imports. This dependency could also erode the bloc's domestic climate efforts. Indeed, in December, the EU signalled openness to engage with the United States on the implementation of methane rules affecting US LNG imports, although the legislation has not been revised and concrete concessions for US exporters remain uncertain.

Global climate action is also increasingly contested, as was shown at COP30 in Belèm, Brazil. The annual global climate gathering – held between 10 and 21 November – offered international delegations a venue to discuss how to retain efforts to avoid a rise in temperatures of more than 1.5° by the end of the century, but started with little to be hopeful about. Many countries did not present their National Determined Contributions (NDCs) and some delegations – such as the Indian one, for example – did not see the participation of high-level representatives, further limiting capacity for high-level deals. By the end of the event, the general mood had not improved significantly. Landmark agreements like the commitment to triple adaptation finance by 2035 (one of the main goals that the European Council had emphasised in its preparation position for the Conference) were diluted as the final text remains vague on who will provide funding. Similarly, the drafting of the final communiqué crashed on the roadmaps for the global phase-outs of fossil fuels and deforestation. Even the largest success of the event, the Tropical Forest Forever Facility, raised some criticism. On the one hand, the Facility promised to mobilise capital against deforestation – up to 125 billion dollars in blended finance – in the attempt to develop performance-based payment, incentivising forest conservation over clearing and agricultural uses. On the other hand, only a handful of countries participated in the initial pledge (Brazil, Indonesia, France, Germany and Norway), totalling just 6.7 billion out of the 25 billion expected to be provided by governments. Additionally, despite this year featuring the largest Indigenous Peoples' participation in COP history, the initiative was also not universally acclaimed by indigenous communities and civil society, many of which expressed doubts over the Facility's model of long-term loans.

COP30 also prompted Europe to re-evaluate its own climate trajectory. The need to present the bloc's 2035 NDC ultimately showed the declining consensus around climate ambitions. Indeed, despite months of resistance by member states on amending the Climate Law's provisions on the 2040 target, Commissioner Hoekstra sought to advance their approval by coupling it with the 2035 NDC to be submitted ahead of COP, at the UN General Assembly on 24 September. However, in September, opposition to the proposed targets coalesced into a broad coalition that obtained the postponement of the EU environment ministers' vote to October, after the deadline established by Brazilian COP presidency. Beyond the usual sceptical member states – namely the Czech Republic, Austria, Slovakia, Romania, Hungary and Poland – the request also included Italy and Germany, with France joining the call at the last minute. These pressures forced President

von der Leyen to present instead a statement of intent with an indicative range between 66.25 and 72.5 per cent of emissions reduction, representing a blow to the climate leadership of the Union. Rushing to formalise both the 2035 and the 2040 climate targets became, therefore, a credibility test for the Commission, which largely opened to member states' requests for flexibility and "enabling conditions". Indeed, regarding the 2040 target, during the 23 October European Council, EU leaders requested flexibility on the 90 per cent reduction target and the possibility to use an "appropriate level of international credits" to facilitate its reach, with Italian Prime Minister Meloni calling for a "change of approach" and Polish Prime Minister Tusk saying that "overly ambitious climate policies are a mistake and serve as fuel for extremists".

In the end, just before the start of COP30, the EU environment ministers struck deals on both the 2035 and 2040 targets. They ended up confirming respectively the 66.25–72.5 per cent range of the tentative statement and the 90 per cent one, although with a few caveats. Indeed, the 2040 final proposal presents ample flexibilities compared to the initial proposal, confirming 85 per cent will be achieved through domestic reduction and the remaining 5 per cent will be offset by purchasing international carbon offsets. Another important concession is that the target will be subjected to downward adjustments if forest and land-use carbon dioxide absorption falls short of expectations. This means that the EU may weaken its target even more if its forests sequester less carbon dioxide than planned, which is probable given continued reduction of forests due to wildfires and over-harvesting of wood. In parallel, a biennial assessment will be conducted to track progress and potentially re-open the target to new revisions every two years. Reasons to justify further reduction of the target include the needs of EU industrial competitiveness and issues related to energy prices.

The legislative process of the 2035 and 2040 targets also showed the divide in the European Parliament and the European People's Party (EPP) itself. On 13 November, the vote for the 2040 target was supported by the Greens and by the "platform" coalition – the loose centrist alliance supporting von der Leyen which includes, together with the EPP, the Socialist and Democrats (S&D) and the liberals of Renew. Notably, not all EPP members voted in favour and the group split right through the middle, with almost half of its members supporting the target and half siding with the Conservatives and Reformists (ECR), the Patriots for Europe (PfE) and Europe of Sovereign Nations (ESN). Before the vote, EPP members from Poland, France, Italy, Romania, Hungary and Bulgaria even proposed an amendment to further reduce the target from 90 to 83 per cent. Although it was not adopted, it nonetheless signalled an attempt to recalibrate the group's climate ambition. The split is noteworthy, especially because in the same session, during the Omnibus Simplification Package vote, the EPP diverged from its "platform" partners, siding with the three right wing groups to exclude more companies from green reporting obligations. On 26 November, such alignment between the EPP, PfE, ECR, and ESN had already been seen on the vote in support of the one year postponement of the EU Deforestation Regulation (EUDR). These episodes confirmed the EPP's strategy of balancing between "alternative majorities" to achieve the group's objectives, this despite von der Leyen having explicitly promised no structural cooperation with right-leaning groups to secure the support of centrist forces at the beginning of the legislation. For now, this seems to have caused some

turmoil among its traditional allies, but not enough to provoke a full fallout. At the same time, right-leaning groups remain critic of von der Leyen, who faced a motion of censure over the Mercosur trade deal promoted by the PfE. However, the "alternative majorities" strategy seems to instead be fuelling the polarisation of the EPP group itself – or at least a reconfiguration of its stance on climate issues, to one much closer to that pursued by its president Manfred Weber and less keen on von der Leyen's green agenda, as shown recently in its push for scrapping the 2035 combustion engines ban. What is now evident, as expected after the result of the 2024 election, is that the current fragmented composition of the European Parliament hardly allows to predict the outcome of votes on complex files.

The Commission now seems more aligned with this position, as shown by the backtrack on the automotive emissions standard. The regulation called for progressive tailpipe emissions reductions that would have consisted of a de facto ban on combustion engine vehicles by 2035, but it has been reversed, after pressure by parts of the EPP, carmakers and increasingly by the German and Italian governments. The proposed revision, advanced on 16 December, calls for a 90 per cent emissions reduction (in comparison to 2021 levels) and an additional 10 per cent reduction to be obtained by using lower emissions materials for production, such as low-carbon steel (if produced in the EU). This would allow for the sale of new hybrid and combustion engine vehicles on the market after 2035. Together with such measure, the Commission has promised an Automotive omnibus, which, in line with the other simplification initiatives recently launched, aims to simplify administrative norms in relation to vehicle manufacturing.

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2. Facing external pressures in the energy, climate and industrial domains

The EU continues to look for a clearer and bolder external stance in the face of geopolitical conflicts, with repercussions on its energy, climate and industrial domains. This has been shown by talks on the Ukraine-Russian conflicts, which continue to be largely led by the US, with limited influence of European countries despite the efforts made at the 14 December Berlin Summit. On 18 December, failing to reach consensus on the use of Russian frozen assets, the Council agreed to support Ukraine with a 90 billion euro loan and the EU continues to pressure the Russian energy system. The EU also adopted its 19th sanction package on 23 October and advanced its discussions on the 20th sanctions package, which is expected by the end of February. In comparison to previous measures, the 19th package touched on some critical issues, finally establishing a ban on imports of Russian LNG and including additional measures to avoid circumvention of previous sanctions. On 3 December, Parliament and the Council also agreed on the phase-out of Russian gas imports. The amendment of the REPowerEU regulation will lead to the ban of LNG by the end of 2026 and of all pipeline gas by 2027. Exceptions will be possible for long-term contracts already in place, delaying the ban to January 2027 for LNG and 30 September 2027 for pipeline imports. Some flexibility to completely phase-out import up to November 2027 will be given to member states that will not be on track to fulfil their Gas Storage Regulation obligations. The EU had previously adopted only targeted sanctions regarding Russian LNG, such as against the Arctic LNG 2 project and the Portovaya and Vysotsk LNG terminals. Indeed, while periodically debated on previous packages, the prohibition of LNG imports was always scrapped due to fears that a ban would have driven prices upwards and led to supply shortages. Consequently, LNG continued to flow to Europe directly (mainly from the Yamal plant in Northeastern Siberia), representing 12 per cent of the bloc's total gas imports by the second half of 2025. However, a new wave of LNG supply is to partially drive prices down, offering more suitable conditions for the EU to finalise the ban.

The 19th package also reinforces anti-circumvention measures, specifically in relation to the Russian shadow fleet. Russian tankers and cargo ships – usually under a different state flag – continue to effectively bypass sanctions and to undermine European efforts to limit Russian energy revenues. As the LNG ban becomes operational, the Russian LNG shadow fleet could similarly expand its

operations, replicating the same challenges (while probably in smaller volume) on the gas markets. The EU has now listed 117 new vessels as part of Russia's shadow fleet (for a total of 557) and it will open negotiations for bilateral agreements with identified flag states to allow pre-authorised boarding for inspection of suspected ships. It also expanded sanctions on oil trading company Litasco Middle East DMCC, a subsidiary of Lukoil, which is largely considered among the main enablers of the Russian shadow fleet. The 19th package's impact also increased due to its close concomitance with the US insertion of Lukoil and Rosneft in the Specially Designated Nationals (SDN) list, which banned the two companies and their subsidiaries from carrying out business with all US entities without specific approval. The US also threatened secondary sanctions on entities that will do transactions with the two oil giants (especially in China and India), amplifying their effect. However, the US sanctions also carried some worries in Europe. Bulgaria and Hungary asked Washington for a delay in sanctions application due to the presence of Lukoil's subsidiaries in their countries, while Germany obtained that the US sanctions won't apply to the Rosneft assets put under German state trusteeship since 2022.

The Commission has also sought a new and more proactive approach to trade and international economic issues to respond to external geoeconomic pressures. On 3 December, the Commission published its Joint Communication on Strengthening EU Economic Security, reviewing its 2023 Economic Security Strategy. The review was considered necessary to better respond to the geopolitical and trade shifts, which have made it more common to weaponise economic dependencies. An example of such weaponisation, for instance, has been the Chinese restriction on rare-earth export in October. While strongly aimed at hitting the US before American-China trade talks, the restrictions led to cascading effects on the EU as well, in particular in relation to defence, electronics, automotive and energy industries. Firms like Volkswagen, Stellantis, Siemens, Bosch, Solvay and Umicore were largely impacted. Indeed, according to the European Central Bank, many European companies operating in these sectors are "no more than three intermediaries away from a Chinese REE producer", leading to higher input costs, shortage of materials and fears of interruption of production, especially in the automotive sector. Unlike the 2023 Security Strategy, which was mainly concerned with assessing risks, this update calls for a more proactive approach to economic security and to deter third countries from weaponising the Union's dependencies. The strategy is based on reinforcing the EU's single market and its industrial and technological bases. To do so the Commission identified six high-risk areas: strengthening supply chain resistance of goods and services, attracting value-added inbound investment, supporting the defence and space industrial base, protecting technological leadership, preventing access to sensitive information and data and reinforcing protection for EU critical infrastructure. These domains are considered in need of more proactive action. However, measures proposed to ease their vulnerabilities largely rely on already existing tools. For example, the communication calls for making full use of current initiatives – such as the Foreign Subsidies Regulations or the Clean Industrial Deal State Aid Framework. It proposes limited innovation – such as the development of new guidelines for FDI screening and increased risk considerations in existing trade defence actions (such as anti-dumping investigations and tariffs).

Together with the Joint Communication, the Commission also presented the RESourcEU Action Plan – the strategy dedicated to mitigating critical raw materials vulnerabilities. The Plan builds on the Critical Raw Material Act

and aims to facilitate financing, faster permitting and trade with like-minded partners. It aims to cut dependency on any single foreign supplier by a range between 30 and 50 per cent by 2029 for batteries, rare earths elements (REE) and defence-related raw materials (although without indicating a specific list of minerals). One of the main innovations contained therein is the European Critical Raw Materials Centre (CRMC), previously announced in the Clean Industrial Deal and now foreseen by early 2026. The CRMC would act as portfolio manager for joint purchasing and it might include stockpiling reserves. However, provisions on stockpiles are still subject to coordination among member states, as uncertainties remain over whether to create individual national reserves or common ones, and how to manage them. In the framework of the CRMC, the Plan also foresees a Raw Materials Platform, which would allow companies to jointly purchase materials. The system is expected to be in part similar to the model of AggragatEU, which aggregated gas demand, strengthening buyers' purchasing power. On funding, the Plan aims to mobilise up to 3 billion euros of private capital through European Investment Bank de-risking interventions for promoting strategic projects. Among these, for example, Vulcan's lithium extraction site in Germany has already received 250 million euros in financing from the EIB, added to 104 million euros directly granted by the German government in July. The development of sites in the Upper Rhine Valley operated by Vulcan is expected to reach an annual output of 24,000 tonnes of lithium hydroxide to be used for battery manufacturing and could offer some relief to the strained automotive sector in Europe.

Unsurprisingly, access to critical raw materials remains a concern for the automotive industry, while other sectors struggle with over-capacity and high tariffs. Together with requests for relaxation of the 2035 emissions standards, the third Strategic Dialogue on the Future of the European Automotive Industry, held in September, focused on how to improve access to critical raw materials for EVs manufacturers. Specifically, the event discussed how the new Strategic Projects approved under the CRMA list can foster a better industrial environment for lithium- and cobalt-based batteries necessary for EVs. Still, the sector seems unable to resist the combination of Chinese over-capacity and the repercussions of US tariffs. While tariffs have been set at 15 per cent, the level still represents a potential cause of continued job losses. Indeed, according to the European Commission's annual report on labour market developments, published in October, with a 15 per cent tariff level across the Atlantic, between 135,000 and 450,000 jobs could be at risk. These risks could be even higher in the steel sector, as the Trump administration set tariffs at 50 per cent for the EU, among the highest of all commodities traded across the Atlantic. The Commission's response has been to raise steel tariffs to 50 per cent, cutting tariff-free quotas by 47 per cent (to a volume of around 18.3 Mt) and introducing a melt and poured requirement to prevent their circumvention. While some – such as Italy – warned of the risks of following the US in a trade war, others – like Germany – pushed for even more protection. The German government, for example, at the conclusion of its national steel summit held in November 2025, a gathering of national steelmakers and trade unions, called for a more decisive "Buy European" approach. Calls for "Buy European" frameworks extend beyond the steel sector. Commissioner Séjourné had advanced the proposal to introduce preference criteria favouring European companies, but during the 8 December industry ministers' meeting, nine member states opposed the idea. Czechia, Estonia, Finland, Ireland, Latvia, Malta, Portugal, Sweden and Slovakia warned that the plan could have "consequences for effective competition, price and quality levels, and effects on businesses". As a result, the Commission delayed until January 2026 the draft legislation introducing a "Buy

European" framework. Such legislation, the Industrial Accellerator Act (IAA) has been further postponed to the end of February, with expectations of even further postponement.

The Commission also pushed for strengthening cooperation with its southern neighbourhood. In the face of rising tensions at the global level, the EU has increased efforts to relaunch regional cooperation, starting with the Mediterranean. On 16 October 2025, the Commission launched the [Pact for the Mediterranean](#), a strategic initiative aimed at fostering multilateral relations with its Southern Neighbourhood partners and addressing challenges of climate change, energy transition and regional resilience. The launch was presided over by High Representative Kaja Kallas and Commissioner for the Mediterranean Dubravka Šuica and it rested symbolically on the backdrop of the 30th anniversary of the Barcelona Process, calling for the creation of a "Common Mediterranean Space". One of the main areas of the Pact will be the Trans-Mediterranean Energy and Clean Tech Cooperation Initiative, to be presented in 2026. Details are still lacking, but the initiative would envision a regional platform to scale up renewable deployment, enhance clean technology cooperation and strengthen grid interconnections across the Mediterranean. However, there are still many questions on how to realise this vision. It remains to be seen whether the Pact will be able to create an industrial co-development model, which could replace one purely based on south-to-north trade of raw materials or energy vectors.

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3. THE INTERNAL FRONT AND LEGISLATIVE DEVELOPMENTS

On the internal front, the Commission published its European Grids Package on 10 December 2025. It aims to expand and modernise energy infrastructure and to strengthen coordination between member states for transboundary interconnections, which are a prerequisite for increased electrification. Indeed, the Commission estimates that by 2040 electricity demand in the EU will double. Addressing this rising demand will require substantial investments (which, according to the Grid Package Communication may amount to 1.2 trillion euros by 2040 for electricity grids, including 730 billion euros for distribution grids alone). Together with the Communication, the package includes a legislative proposal revising permitting procedures, a revision of the Trans-European Networks for Energy (TEN-E) Regulation, the guidance on efficient grid connections and the guidance on the design of two-way contracts for difference. Among the main priorities of the proposals are accelerating permitting and facilitating planning. The package aims to establish a clearer and shared framework for member states to design rules for connecting electricity generation and storage projects to existing grids. Specifically, it introduces targeted permitting legislation for energy storage projects, which could help the deployment of battery storage. The Package is also instrumental in facilitating the roll-out of new cross-border interconnections, such as the 235 new cross-border energy projects that have been granted the status of either Projects of Common Interest (PCIs) or Projects of Mutual Interest (PMIs), including electricity, hydrogen and CO2 infrastructure.

Parallelly, the Commission's work has continued, and affected upon a series of crucial measures enacted during the first von der Leyen mandate. Among the most important are the CBAM, the EUDR and the reform of the Common Agricultural Policy (CAP). Concerning the CBAM, the Parliament and the Council have finalised the amendments originally proposed in the February Omnibus Package by the European Commission and debated in the past few months. The changes revolve around a "de minimis" threshold that exempts importers with less than 50 tons of goods covered by the Regulation each year; the amendments also postpone the start of CBAM certificates by one year (originally January 2026, the start date is now February 2027) and aim at further reducing the burden on European importers through several other measures, particularly through the possibility of delegating reporting, or using default emission values for countries where such data are not available or reliable. The issue of adopting default emission values has however already proved controversial, as industry experts have judged the proposed values to be too low – particularly for countries such as China, Brazil and the USA. This could advantage companies using carbon-intensive imports, as in the case of producers of fertilisers, but might further weaken the Regulation.

Indeed, if default values are too low, importers will have no incentives to provide their real data, significantly damaging data collection, the backbone of CBAM.

The EUDR has however suffered even more from the Commission's recent actions. The second postponement of the measure (after the one-year delay on the Regulation that was agreed at the last minute in December 2024), leaves major companies with the duty to abide by the reporting demands of the Regulation only from the end of 2026 (instead of 2024), while smaller operators will face the duty from mid 2027 (instead of 2025). This however may never happen; during the negotiations between the European Parliament and the Council a review clause was added, and the EUDR may be further changed – even heavily – following a new impact assessment to be done by April 2026. Indeed, the Council has already adopted its negotiating mandate for the targeted revision of the Regulation, in November. The Regulation imposes tracing agricultural imports for seven key commodities as they enter the EU market, and it is the most ambitious piece of legislation ever enacted to prevent deforestation – mostly because it is the first, wide-ranging law touching the root cause of logging, i.e., agriculture. However, the continuous uncertainty and the watering down of rules risk killing the EUDR before it even officially starts operating; while this would be appreciated by a significant portion of European industry, the weakening of the Regulation has also been opposed by major players such as Nestlé and Ferrero. Indeed, several operators in the agri-food industry state that the imposition of tracing and the resulting greater transparency would benefit the sector. They have also already spent significant resources to be fully compliant to the Regulation on its original implementation date – resources that, if the EUDR is cancelled or heavily scaled down, will be wasted.

Agriculture remains a thorny issue also on the domestic side, as the CAP reform also falls under the relevant changes proposed in the simplification package Omnibus III. The CAP reform has been debated in the past few months, with the Council and the European Parliament finally reaching a provisional agreement in November, mostly in line with what has been originally proposed by the Commission in its simplification package: the reformed CAP provides some extra payments for small farmers and it reduces administrative burdens for all producers, as well as the number of on-the-spot checks. More significantly, it introduces the ability for member states to decide on the rules regarding certain environmental standards (particularly for organic production). While the Commission claims this may lead to savings of up to 1.6 billion euros per year in administrative expenses throughout the EU, such changes may result in a fragmentation and watering down of the environmental focus of a policy that has been frequently criticised for its insufficient focus on sustainable practices. The simplification and increase in payments could also not be enough to compensate for the proposed reduction in the CAP overall budget for the next Multiannual Financial Framework.

Similarly, farmers could also likely face an increased competition of Latin America agricultural imports because of the Mercosur trade deal. Not by chance the agreement has already triggered another wave of farmer protests that hit Brussels again in December. The Mercosur itself is another thorny issue for the Commission: its fate was still undecided at the end of 2025 with opposition from France, Italy and other member states, but it was then approved in January by a margin of just 10 MEPs. This approval was however conditional on the EU Court of Justice replying to a series of questions posed by the MEPs, a request whose satisfaction was needed in order to obtain EP approval. This will lead to a

significant delay in final approval of the agreement, and may even derail it, in case of negative answers from the Court of Justice. This could represent a major issue for the Commission; the Mercosur is accused of threatening European farmers with unfair competition, and promoting deforestation in Latin America, but it is also a much-needed measure to increase opportunities for European industry, and to expand the influence of the EU as relations with the US are deteriorating.

The Commission also expanded its simplification focus to the Sustainable Finance Disclosure Regulation (SFDR), proposing a series of amendments to the 2018 piece of legislation. The Regulation has been in force since 2021 and has the scope of increasing transparency of financial products to avoid greenwashing and promote investments with a substantial contribution to sustainability. The Commission indicated however that its review highlighted lengthy disclosures, as well as difficulties in comparing environmental or social features of financial products, and thus proposed a revision in November. The amendments included in the revision will aim at providing simpler and easier to understand information to investors, but above all will reduce the amount of information that providers will have to disclose. The proposal is structured around two points: simplified disclosures, which will lead to a substantial reduction in the disclosure requirements of entity-level and product-level information, and the development of a clear categorisation system. The latter establishes three broad categories, "sustainable", "transition" and "ESG basics"; the first will cover truly sustainable investments that are already contributing to sustainability goals (climate-focused and environmental, but also social), while the other two will relate to investments that, to different extents, make only a partial contribution to such objectives, or may do so in the future. Thresholds are quite generous, as financial products will require only 70 per cent of the portfolio to be included in the category standard. While portfolios will have to exclude investments from industries considered "harmful", such as tobacco and prohibited weapons, investments in fossil fuels may be admitted if below a certain threshold (defined for electricity generation by a GHG intensity of more than 100 g CO_2 e/kWh). While the SFDR was indeed in need of a few adjustments, the Commission proposal risks significantly lowering the bar for sustainable investments. Following the withdrawal (and subsequent chaos) of the greenwashing Directive, the revision of the SFDR may add further confusion on the green investments sector.

Financial rules have also played a role for nuclear power in recent months. The ongoing debate over the EU taxonomy regulation - the set of rules indicating which sectors and activities are to be considered sustainable – has evolved following a decision of the Court of Justice of the European Union. The court confirmed that nuclear power could indeed be considered a green investment from a climate perspective because of its zero emissions. This was stated following a complaint by the then Austrian environment minister in 2022, who launched the legal action to block the Commission's inclusion of nuclear power among the green options of its taxonomy. Meanwhile, the European Industrial Alliance on Small Modular Reactors (SMRs) has further advanced its work, publishing its first Strategic Action Plan. This defines ten specific actions for the next five years, focusing on crucial issues such as expanding market demand beyond electricity generation and easing regulations. The Commission is expected to present a dedicated SMR strategy in the coming weeks.

Finally, the Parliament and the Council have <u>agreed</u> on the 2026 EU budget. The budget benefits from an increase in key programmes for energy and climate, as in the case of the additional 23.5 million euros dedicated to energy connectivity, and the additional 20 million to the Horizon and LIFE programmes. Notably, the budget includes a "financial margin" aimed at unexpected events that would impact the current Multiannual Financial Framework – a much needed measure of flexibility in such uncertain times. However, perhaps more importantly, discussions over the Commission's Multiannual Financial Framework <u>continue</u>, and a final decision will have to be taken by the end of 2027; this would perhaps be the moment when the Commission, and the EU as a whole, reveals its true, long-term vision for the future of the Green Deal.

IN DEPTH

INTERVIEW
JESSIKA ROSWALL

COMMISSIONER FOR
ENVIRONMENT, WATER
RESILIENCE AND A COMPETITIVE
CIRCULAR ECONOMY

This interview has been realised through written questions by IAI, followed by written replies from the Commissioner which have not been edited.

Regarding the forestry sector, the EU is increasingly challenged in the initiatives proposed – from the EUDR to the Forest Monitoring Law. The EUDR in particular is facing major obstacles to achieve success, as the continuous uncertainty surrounding its implementation added to the already complex application of such a debated Regulation. Is the future of the EUDR at risk, how would it be possible to achieve its objectives without weakening its scope?

The EU Deforestation Regulation (EUDR) is a turning point in the global fight against deforestation and forest degradation. It is already triggering positive changes worldwide, encouraging greater transparency and sustainability. To ease implementation, to reduce the pressure on the EUDR IT system, and to ensure a smooth and effective roll out, the Commission has proposed some targeted amendments to which co-legislators agreed before the end of the year. I believe this strikes the right balance between effectiveness and feasibility and gives much-needed certainty to economic operators, while providing real simplification on the ground. We are committed to making the EUDR work in a spirit of close partnership, transparency, and open dialogue.

The Nature Restoration Law was finally adopted after bruising political battles. With Member States required to submit their draft national restoration plans by 1 September 2026, what technical and financial support will the Commission provide to ensure quality and consistency across plans, particularly for Member States with limited administrative capacity or significant political opposition to the Law's implementation?

The goal of the Nature Restoration Regulation (NRR) is to reverse the alarming decline of our ecosystems. We have to make sure that nature can continue to provide the ecosystem services which our economy and resilience depend on – food production and climate resilience to name a few.
The NRR puts EU Member States in the driving seat because they are

best placed to tailor their National Restoration Plans to local ecological and socio-economic circumstances. The NRR provides the framework and targets, allowing Member States to make their political choices.

Many Member States are preparing their Draft National Restoration Plans. After the 2026 submission, the plans will be further improved and finetuned with the support of the Commission.

The Commission has made guidance and technical resources available for Member States, as well as a format to follow. There is also targeted financial support for technical assistance. I have communicated to all Member States just before the end of the year that the Commission will intensify its support to Member States to make implementation as efficient and workable as possible.

Under the current EU budget framework, there is no single dedicated fund for the NRR, but there is a wide portfolio of EU instruments that Member States and stakeholders can tap into for measures contributing to restoration. Looking ahead, the next EU budget proposals foresee that at least 35% will be dedicated to climate and environmental objectives, including nature restoration. This target will apply across the major EU funds. In practice, this means that the EU budget can contribute to financing parts of Member States' nature restoration plans, as well as certain EU-wide restoration measures.

At the same time, we are fully aware that public funding alone will not be sufficient and that financing will remain a challenge for many Member States. I will therefore follow this very closely. This is why mobilising private capital, alongside public funding, will be essential — including through innovative, credible approaches such as nature-positive investment and, where appropriate, nature credit schemes.

The EIB has committed €15 billion for water resilience during 2025-2027, yet Parliament's resolution explicitly called for a dedicated water resilience fund within the next Multiannual Financial Framework. Why did the Commission not propose such a fund, and what is your response to concerns that relying on existing financial instruments—designed for broader purposes—will continue to leave water systematically underfunded relative to its strategic importance?

First, I would like to stress that it's important that Member States make good use of the existing EU funding and the extra financing window we have foreseen in the EU cohesion funds to tackle water challenges and become more water resilient.

The proposal for the new Multiannual Financial Framework (MFF) sets aside at least 35% of the budget for climate and environment spending, including water resilience. This funding can be used to develop, modernise

and maintain water infrastructure and nature-based solutions for water resilience. We will also continue to support research and innovation projects that accelerate the green transition, including water resilience.

The main EU funding programmes and the national and regional partnerships plans, include water resilience as a key objective.
The MFF proposal, and in particular the European Competitiveness Fund, will give Member States more options to use EU financial support for investments in water resilience and water-smart technologies.
The Commission and the EIB are working together on assessing water resilience investment needs. More needs to be done because the investment gap is big, that is why we are stepping up our work together.

The Green Claims Directive tried to reassure consumers that products marketed as sustainable are indeed so, and to avoid greenwashing. However, it seems to have faced much opposition and has now been left behind. What went wrong, and what does this say about the current appetite for environmental legislation? What should be done to ensure that similar measures are adopted?

We don't want to lower our environmental ambition. It is about how the Green Claims Directive would apply to micro-enterprises. Small companies form the backbone of the EU economy and make up about 96% of all EU companies. The Commission wishes to support them by reducing the administrative burden they face, which is why our initial proposal for Green Claims included exemptions for micro-enterprises.

Meanwhile, the Commission remains fully committed to fighting greenwashing and ensuring consumers are correctly informed. In 2024 the Commission adopted the Directive on Empowering Consumers for the Green Transition, designed to stop false environmental claims and help consumers make more sustainable choices.

The new EU budget proposal shows that the Commission is still committed to environmental objectives. The Commission's priority is to help Member States better implement our existing and environmental policies and ensure that regulatory burden is not an obstacle.

How will the Commission address the potential tension between the upcoming Circular Economy Act's circular design requirements and EU industrial competitiveness in global markets, and what specific mechanisms will ensure consistent implementation across Member States with varying administrative capacities and industrial structures?

I don't see any contradiction between circularity and competitiveness. On the contrary, the circular economy is a crucial step that will boost Europe's competitiveness and strategic autonomy.

The Circular Economy Act that we will present in 2026 aims to boost Europe's economic growth and resilience, in line with our "Competitiveness Compass". This is no longer only an environmental issue, it is also an economic necessity.

It will focus on improving economic security by reducing reliance on materials from outside the EU, which can cause price swings and supply issues.
We have to become more competitive, by promoting circular practices that lower costs of manufacturing. Innovative circular economy models like repair and product-as-a-service will be encouraged.

If we go circular, we can reduce our emissions by one third which will helps us reach our climate goals and climate neutrality by 2050.

We will also work to strengthen the Single Market for secondary raw materials, reducing administrative hurdles, and supporting industry.

In light of the EU's growing emphasis on water resilience and ecosystem restoration, hydropower can play a dual role — both as a source of renewable electricity and as a key contributor to water management, flood control, and storage. How does the Commission intend to integrate hydropower more effectively within broader water resilience and nature restoration strategies, ensuring environmental safeguards while maintaining its contribution to the EU's decarbonisation goals?

We understand the importance of hydropower in moving away from fossil fuels and promoting renewable energy projects, to achieve our 2050 climate targets. At the same time, the European Water Resilience Strategy points out the complex challenges related to dam use.
Action on water management should first and foremost prioritise nature-based solutions and the restoration of natural environments and ecosystems. Hydropower plays an important role in Europe's transition away from fossil fuels and in strengthening energy security. At the same time, water management presents complex challenges that require careful balancing. There is no one-size-fits-all solution. Europe needs a pragmatic mix of approaches — combining nature-based solutions, ecosystem restoration and, where needed, modern and well-designed water infrastructure —

adapted to local conditions and resilience needs.

We have set ambitious but important targets in the Nature Restoration Regulation, such as restoring at least 25 000 km of rivers by 2030. This means removing obsolete barriers without impacting those actively used for hydropower.

The planning of new dams and reservoirs should carefully evaluate their environmental impacts, involving all relevant actors, and ensure that such actions are part of an integrated and sustainable water management strategy.

Member States are encouraged to prioritize the upgrading and refurbishing of existing hydropower facilities and avoid constructing new ones.

Environmental protection remains a cornerstone of EU policy, yet the complexity and fragmentation of permitting frameworks can impact investments in infrastructure and renewable energy projects. In the context of the broader simplification agenda, how does the Commission plan to reconcile the need for faster and more predictable permitting with the imperative to maintain high environmental standards and avoid a patchwork of national interpretations?

Our goal is to reduce the fragmentation of applicable rules and legal uncertainty - while keeping environmental safeguards in place and ensuring we can meet our climate goals. This fragmentation is due to on the increasing demand for fossil free energy, net-zero industries and critical raw materials, which are necessary for our transition, resilience and competitiveness

The European Commission's upcoming legislative proposal will streamline and accelerate environmental assessments, which are an essential part of permit granting.

For environmental assessments across sectors, the proposal will include establishing "single contact points" in Member States.

It will also set up joint or coordinated procedures for environmental assessments and will digitalise applications, as well as improving information sharing between different stakeholders and the Commission.

The last important step will be to accelerate procedures for strategic sectors that are key to reaching our 2030 climate targets.

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TIME
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This timeline highlights the main elements proposed by the Commission under the umbrella of the Green Deal since the re-election of Ursula von der Leyen in July 2024. Previous activities are listed under the "Timeline Archive", available at the end of this report.
The lists are not exhaustive, but aim to provide an overview of the Commission's work during these years. The list started as an expanded version of the Commission's own timeline, available here:

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

27 January 2026
The EU and India conclude a landmark FTA with strong sustainability commitments, cutting tariffs while strengthening climate, environmental and labour standards, supporting green industrial transformation and rules-based, sustainable trade.

22 January 2026
The Commission launches a new portal under the EU Mission on Adaptation, offering tools, data and guidance to help regions and cities strengthen climate adaptation.

14 January 2026
The Commission updates the Union Registry Regulation to ensure transparent accounting of Member States' emissions, transfers and carbon removals

1 January 2026
The Carbon Border Adjustment Mechanism enters into force.

23 December 2025
The Commission amends ETS State aid Guidelines to protect energy-intensive industries from rising carbon costs.

16 December 2025

The Commission introduces new rules to standardise the calculation of the life-cycle Global Warming Potential of new buildings under Energy Performance Buildings Directive.

The Commission introduces a package to simplify food and feed safety while maintaining high environmental and health standards.

The Commission launches an Automotive Package to support the sector's transition to clean mobility.

The Commission announces the entry into force of the first Soil Monitoring and Resilience Directive.

The Commission announces the entry into force of the new regulation on preventing plastic pellet losses to reduce microplastic pollution.

12 December 2025

The Council and Parliament agree on Regulation on End-of-Life Vehicles.

11 December 2025

The Commission invests €14 billion through Horizon Europe to boost R&S on climate neutrality, clean technologies and decarbonisation.

10 December 2025

The Commission proposes European Grids Package and the Energy Highway initiative.

9 December 2025

The Commission announces reinforcement of controls on food, animal and plant products.

4 December 2025

The Commission launches €5.2 billion of EU ETS for clean transition technologies under the Innovation Fund.

The EU agrees to delay the entry intro application of the Deforestation Regulation.

3 December 2025

The Commission adopts RESourceEU to secure the EU's supply of critical raw materials.

The EU reaches a political agreement to permanently end Russian gas imports by 2027 and complete the phase-out of Russian oil.

1 December 2025

The Commission grants PCI and PMI status to 235 projects to boost energy interconnectivity.

27 November 2025

The Commission presents new Bioeconomy Strategy to drive green

growth, competitiveness and resilience across Europe.

20 November 2025
The EU and South Africa launch a Clean Trade and Investment Partnership ahead of G20 Summit.

15 November 2025
The Council and the Parliament find an agreement on the EU's 2026 annual budget, allocating 56.5 millions to natural resources and environment.

12 November 2025
Commissioner Hoekstra confirms a legally binding 90% emissions reduction target by 2040 during Parliament's Plenary.

10 November 2025
The Council and the Parliament agree on a simplification package for the Common Agricultural Policy.

7 November 2025
At COP30 in Belém, European Union endorses the Leaders' Declaration on the Open Coalition on Compliance on Carbon Markets.

7 October 2025
The Commission proposes a plan to protect steel industry from unfair impacts of global overcapacity.

10 September 2025
The Parliament adopts simplifications to the EU Carbon Border Adjustment Mechanism.

9 September 2025
The Parliament adopts new EU rules on design, reuse and recycling in the automotive sector.
The Parliament adopts new EU rules to reduce textile and food waste.

8 July 2025
The Commission publishes a new EU methodology for low-carbon hydrogen and fuels.

2 July 2025
The Commission presents a new 2040 climate target amending EU Climate Law.

17 June 2025
The Commission proposes gradual phase-out of Russian gas and oil

imports into the EU.

5 June 2025
The Commission adopts the European Ocean Pact.

4 June 2025
The Commission adopts the European Water Resilience Strategy.

20 May 2025
The Commission announces almost €1 billion investment towards renewable hydrogen.

14 May 2025
The Commission proposes a simplification of the Common Agricultural Policy.

6 May 2025
The Commission presents its roadmap towards ending Russian energy imports

3 April 2025
European Parliament votes to delay the application of sustainability and due diligence reporting rules

19 March 2025
The Commission presented the Action Plan on Steel and Metals.

5 March 2025
The Commission presented the Action Plan on the Future of the Automotive Sector.
The Commission proposed to prolong the Gas Storage Regulation until the end of 2027.

4 March 2025
The Commission President launched the Strategic Dialogue on the Future of the European Steel Sector.

26 February 2025
The Commission presented the Clean Industrial Deal, aimed at accelerating decarbonisation while securing the future of manufacturing in Europe.

The Commission adopted a proposal for the Omnibus Package, providing simplification in the field of sustainability and EU investment programmes.

30 January 2025
The Commission launched the Strategic Dialogue on the Future of the

Automotive Industry.

29 January 2025
The Commission presented the Competitiveness Compass.

14 January 2025
The Commission published an independent study detailing the net-zero manufacturing industry landscape in Europe and a Regulation on the verification of CO_2 emissions for heavy-duty vehicles.

9 January 2025
The Commission President established 14 Project Groups chaired by Members of the College to ensure coordination on political priorities.

1 January 2025
Poland assumed the rotating Presidency of the Council of the European Union.

18 December 2024
The Council formally adopted the regulation on the one-year postponement of the application of the EU Deforestation law.
The Commission President announced the launch of a Strategic Dialogue on the Future of the Automotive Industry in Europe.

17 December 2024
The Council affirmed its position on a Regulation for the prevention of plastic pellet losses.

16 December 2024
The Council formally adopted a Regulation on packaging and packaging waste and approved conclusions on promoting geothermal energy.

12 December 2024
The Energy Community Ministerial Council adopted the first Projects of Energy Community Interest.

9 December 2024
The Council approved conclusions on the post-2027 CAP.

6 December 2024
The Commission finalised negotiations with four Mercosur countries for an EU-Mercosur partnership agreement.

5 December 2024
The Commission launched the European Board on Agriculture and Food.
The 16th Citizens' Energy Forum took place in Budapest, kickstarting the Commission's work on developing the Citizens Energy Package.

3 December 2024

The Commission established the cap on emission allowances under the ETS2 for 2027.

The Commission earmarked €4.6 billion for two calls for proposals to accelerate the deployment of decarbonisation technologies and announced a new partnership with the European Investment Bank to support investments in the battery manufacturing sector.

1 December 2024

The Commission 2024-2029 took office.

24 November 2024

The Commission and EU Member States negotiated a New Collective Quantified Goal for Climate Finance at COP29, broadening the global contributor base.

19 November 2024

The Council adopted a new regulation on ESG rating activities and greenlighted the proposal for an EU certification framework for permanent carbon removals, carbon farming and storage.

The 2024 Carbon Market Report showed that carbon pricing drove emissions from power and industry installation to a 16,5% reduction in 2023.

14 November 2024

The Parliament agreed to the one-year postponement of the Deforestation Regulation.

12 November 2024

The Parliament conducted confirmation hearings for Commissioners-designate Stéphane Séjourné (Prosperity and Industrial Strategy) and Teresa Ribera (Clean, Just and Competitive Transition).

The Commission launched a new Methane Abatement Partnership Roadmap at COP29.

8 November 2024

The Council released the Budapest Declaration on the New European Competitiveness Deal.

7 November 2024

The Commission launched an Ecodesign Forum to accelerate progress on sustainable products.

The Parliament conducted the confirmation hearings of Commissioner-designate Wopke Hoekstra (Climate, Net-Zero and Clean Growth)

5 November 2024

The Council adopted the Construction Products Regulation and called

for swift implementation of the EU's regulatory framework for renewable hydrogen.
The Parliament conducted confirmation hearings for Commissioners-designate Dan Jørgensen (Energy and Housing) and Jessika Roswall (Environment, Water Resilience and a Competitive Circular Economy).

4 November 2024
The Parliament conducted confirmation hearings for Commissioners-designate Christophe Hansen (Agriculture and Food) and Apostolos Tzitzikostas (Sustainable Transport and Tourism).

29 October 2024
The Commission imposed duties on imports of battery electric vehicles from China for a period of five years.

22 October 2024
The European Parliament approved the reform of Single European Sky rules for a more efficient and greener airspace.

16 October 2024
The Council agreed to postpone the implementation of the Deforestation Regulation by one year.
The Commission adopted a delegated act clarifying the inclusion of offshore vessels in the emissions monitoring system.
The European Network for Transmission System Operators for Gas's annual winter supply outlook confirmed the security of gas supplies for the upcoming winter and summer season.

14 October 2024
The Council asked the Commission to propose a comprehensive EU-wide action plan against desertification, land degradation and drought.

8 October 2024
The Council approved conclusions on climate finance ahead of COP29.

2 October 2024
The Commission proposed a one-year postponement of the application of the EU Deforestation Regulation and published an international cooperation framework to support stakeholders in the implementation.

27 September 2024
The Commission launched a consultation on the draft methodology for low-carbon hydrogen and fuels and published the final Terms and Conditions for its second auction for the production of renewable hydrogen via the Innovation Fund.

17 September 2024

The Commissioners-designate are <u>announced</u>

11 September 2024

The EU Governance Regulation report <u>shows</u> that the EU has a comprehensive integrated legal framework and tools in place to meet its decarbonisation goals.

9 September 2024

The Draghi Report on "The future of European competitiveness" is <u>published</u>

30 August 2024

New monitoring rules <u>agreed</u> for the EU ETS.

22 July 2024

The Council <u>renews</u> economic sanctions for a further 6 months towards Russia.

18 July 2024

The Parliament <u>re-elects</u> Ursula von der Leyen as Commission President. The new Ecodesign for Sustainable Products Regulation <u>enters</u> into force.

Timeline Archive 2019-2024

27 June 2024
The EU notifies its withdrawal from the Energy Charter Treaty.

24 June 2024
The EU adopts 14th package of sanctions against Russia for war against Ukraine.

17 June 2024
The Council gives final green light to Nature restoration law.

30 May 2024
The Council gives final approval to right-to-repair directive.

29 May 2024
The Commission hosts the first General Assembly of the European Industrial Alliance on Small Modular Reactors.

28 May 2024
The EU and Australia sign partnership on sustainable critical and strategic mineral.

27 May 2024
The Council gives its final approval to the ecodesign regulation.
The Council gives final approval to the net-zero industry act.

24 May 2024
The Council gives its final approval to the corporate sustainability due diligence regulation.

24 April 2024
Parliament approves a review of the Common Agriculture Policy (CAP) Strategic Plans Regulation and the CAP Horizontal Regulation.

12 April 2024
The Energy Performance of Buildings Directive is formally adopted.

11 April 2024
Parliament adopts reform of the EU electricity market.

10 April 2024
The Parliament adopts new law to reduce emissions from energy sector, especially methane emissions.

12 March 2024
The Commission publishes the Communication on managing climate risks in Europe as a response to the first ever European Climate Risk Assessment.

4 March 2024
The Council reaches political agreement on a recommendation to continue coordinated demand-reduction to secure sufficient gas storage for next winter

20 February 2024
Political agreement on EU-wide certification scheme for carbon removals.

Political agreement on new air quality standards in the EU

19 February 2024
European Hydrogen Bank pilot auction: 132 bids received from 17 European countries.

8 February 2024
Political agreement to ban all remaining intentional uses of toxic mercury in the EU.

6 February 2024
Political agreement on the Net-Zero Industry Act.

The Commission adopts an EU Industrial Carbon Management Strategy, setting out how to sustainably capture, store and use CO_2.

Commission presents recommendation for 2040 emissions reduction target to set the path to climate neutrality in 2050.

31 January 2024
Commission proposes to allow EU farmers to derogate for one year from certain agricultural rules.

25 January 2024
The Commission launches Strategic dialogue on the future of EU agriculture

19 December 2023
Council approves Commission's proposals to prolong energy emergency measures.

18 December 2023
Commission publishes the assessments of the 21 member states which submitted updated draft National Energy and Climate Plans.

8 December 2023
Council and the Parliament reach a provisional political agreement on the Hydrogen and Decarbonised Gas Market Package, establishing common internal market rules for renewable and natural gases and hydrogen. The agreement also proposes the creation of the European Network of Network Operators for Hydrogen (ENNOH).

7 December 2023
Council and Parliament reach provisional political agreement on the Energy Performance of Buildings Directive (EPBD).

Council adopts negotiating positions on Net-Zero Industry Act and proposes an expanded list of ten strategic net-zero technologies.

28 November 2023
Commission proposes to prolong energy emergency measures by 12 months.

Commission proposes the Electricity Grid Action Plan and publishes the sixth list of key infrastructural energy projects.

23 November 2023
Commission presents the first pilot auction under the European Hydrogen Bank for a total of €800 million of subsidies for renewable hydrogen production.

22 November 2023
Commission proposes a new forest monitoring law to improve resilience of European forests.

16 November 2023
Council adopts EU position for COP28 and stresses that it will call for a "phase-out of unabated fossil fuels".

Council and European Parliament reach provisional agreement on a proposed EU law that would improve the investigation and prosecution of environmental crimes.

15 November 2023
Council and Parliament reach a provisional political agreement on the Regulation on Methane Emissions Reduction in the Energy Sector, agreeing on deadlines for monitoring, reporting and inspection of sources of methane emissions.

13 November 2023
Council and Parliament reach provisional agreement on the Critical Raw Materials Act.

9 November 2023

Parliament and Council reach agreement on Nature Restoration Law. Member states will put in place restoration measures in at least 20 per cent of the EU's land areas and 20 per cent of its seas by 2030.

24 October

Commission presents the European Wind Power Action Plan.

Commission publishes the 2023 State of the Energy Union Report.

17 October 2023

Council adopts negotiating positions on electricity market reform. The Council agrees that two-way contracts for difference will be the mandatory model used when public funding is involved in long-term contracts.

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](#) o 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 efficency measures.

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.