

Green Deal Watch

Issue no.9

Catching up
on Green
Tech

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.

<https://www.iai.it/en/>

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ABOUT THIS REPORT

Foreword: Catching up on Green Tech
Page 5

Analysis: four dimensions
Page 10

Interview: Kurt Vandenberghe, Director-General
DG CLIMA, European Commission
Page 19

Timeline
Page 23

This is the ninth 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.

This Green Deal Watch covers the new, greater range of topics anticipated by Commission President Ursula von der Leyen to achieve climate neutrality by 2050. 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 Kurt Vandenberghe, Director-General DG CLIMA, European Commission, in an interview published after the analysis of the four dimensions. A Roadmap 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.

FORE WORD

CATCHING UP ON GREEN TECH

The European Green Deal is now entering a new, crucial phase.

After more than one year of war, the EU is still facing a looming energy crisis but the situation has improved on several aspects, from the success of diversification to the stronger solidarity among member states (MS). While the situation still requires a quick implementation of part of the plan laid out by the Commission in 2022 (within REPowerEU), it is at the same time necessary to speed up the finalisation of core elements of the Fit-for-55 package which are still being debated. In the months covered by this issue of the Green Deal Watch some key pillars have rapidly advanced, such as the Emission Trading Scheme (ETS) and the Carbon Border Adjustment Mechanism (CBAM). The destiny of others is still unclear, as in the case of the 2035 phase-out of the internal combustion engine, which ultimately sparked strong criticism in some MS. The question for the Commission is then to approve key files on time as the von der Leyen executive is approaching the end of its term next year. Therefore, 2023 will likely be a crucial year for the success of the Green Deal and for the establishment of a solid legacy of von der Leyen's Commission.

The industrial dimension of the decarbonisation process is increasingly being narrated in strategic terms. The Commission felt the double necessity to provide a strong

answer to the 2022 US Inflation Reduction Act (IRA) even while recovering the competitiveness it had lost as a consequence of the energy crisis. The February [Green Deal Industrial Plan](#) was the first formal answer provided by the Commission to foster a more supportive environment for the scaling up of the EU's manufacturing capacity for net-zero technologies. The Plan aims at setting up a favourable environment for clean tech manufacturing in the EU, avoiding the much-feared relocation of companies in the US.

Drafted in record time as part of the Industrial Plan, the [March Net-Zero Industry Act](#) went into much more in detail in response to Washington's bonanza of green subsidies.

The Commission's proposal includes a target of 40 per cent domestic production of the technologies that the EU needs to meet its climate goals to be made inside the bloc by 2030, focusing on easing permitting and access to finance (two mantras for much of the Commission's action of the past few months). With this proposal the Commission is seeking to reclaim a share of the industries where it once held ascendancy (e.g., solar) but also to make sure it doesn't lose out again in nascent sectors like heat pumps or carbon capture and storage, for example. The objective won't likely translate into legally binding targets. The upcoming negotiations with the Parliament and the Council will however cast more light on some of the doubts

shared by some member states, such as the fear that the Act may instead increase prices for equipment and slow down the transition.

The Critical Raw Materials Act is also part of the effort to create a conducive regulatory framework to strengthen the EU's industrial value chains. The proposed regulation presented in March had already been announced in [September](#) as a move to avoid a situation where the energy transition, especially after the push promoted by the REPowerEU plan, would translate into new dependencies – particularly concerning critical raw materials, largely supplied by a few players (China in particular). The Act will establish a new agency, the European Critical Raw Materials Board, with the aim of meeting 25 per cent of its demand through domestic sources – mining, accounting for 10 per cent, and recycling, for 15 per cent. It will also coordinate European stocks of raw materials and set up a central buying agency to increase its negotiating power. Speeding up the permits for new mines and for recycling facilities is one of the key elements in the document, and yet one of most discussed: many NGOs [question](#) the real ability of the Commission to lower permitting times to two years, while the one year timeframe expected for recycling facilities will likely be a more achievable task. Refining is also addressed, with a 40 per cent target for domestic refining by 2030. The task is ambitious and complicated to achieve, especially for materials such as graphite, whose supply chain is currently almost entirely in the hands of China. More on this aspect is analysed in Dimension 2 of this Watch.

In the meantime, despite the ongoing conflict in Ukraine, the situation on the energy security front has progressed. The positive forecasts that we highlighted in the previous [issue](#) of the Green Deal Watch were confirmed: countries like Italy and Germany

managed to sufficiently diversify part of their gas. Gas prices stepped down from the stellar peaks of August, when they reached [350 EUR/MWh](#), to a more acceptable – even if still remarkable – 40–50 EUR/MWh in March. While this situation has strongly impacted businesses and households alike, these past few months have not witnessed the dramatic crisis some feared. At the end of this winter, the EU had around 55 per cent of its storage still full, almost double what pessimistic forecasts expected in mid-2022.

The situation is however still complicated, and much more needs to be done. As the EU's TTF displays prices that are still double compared to the pre-war period and energy markets [have yet to stabilise](#), the Commission will need to successfully follow up on many of the measures enacted under the umbrella of the REPowerEU plan. While the complicated saga of the price cap finally ended in December 2022, when the Council approved a "[market correction mechanism](#)" partially modelled on previous proposals, it is not yet clear whether it will be effective and if it will result in significant distortions. The measure envisages a ceiling of 180 EUR/MWh for gas prices for all of 2023, but with several caveats – for instance, the ceiling will activate only if the price exceeds the global gas price by 35 EUR/MWh for three consecutive days. Thus, while some MS, such Germany, [fear](#) it may prevent access to more expensive LNG supplies, the many safeguards included in the document also cast doubts on its real impact when and if it is applied.

Energy efficiency will also need to be boosted; in this sense, the Council and the Parliament reached an [agreement](#) on 10 March to increase the target for efficiency to 11.7 per cent in 2030 from the 9 per cent of the Fit-for-55 Commission proposal. This was a compromise between the Council, which did not wish for an increase,

the Commission, aiming at a 13 per cent target, and the Parliament, which voted for a much more ambitious 14.5 per cent. While this result triggered **mixed reactions** from governments and analysts, it solved a months-long deadlock that threatened to further delay such a core measure for the EU.

Another piece of legislation, the reform of the Electricity Market Design, is a very relevant dossier which aims at enhancing security and access to energy. The objective of the document presented in March is to reduce fluctuations in prices, protect consumers and promote investment in cheap renewable sources (solar and wind). Some member states hoped for a more radical proposal, e.g., decoupling retail electricity prices from gas prices (a move which makes particular sense for MS relying only partially on commodities). The Commission plan is instead to leave unchanged the fundamentals of the electricity market (the marginal pricing system) and to focus more on a set of tools to counter fluctuations of the current short-term structure, as analysed in Dimension 4 of this Watch.

Meanwhile, the heated debate over the Renewable Energy Directive (RED) revision has probably come to an end. On 30 March, the Council and the Parliament **reached** a provisional agreement addressing almost all key points in the debate; the renewable target was raised to 42.5 per cent by 2030 (with an optional additional 2.5 per cent), up from the 32 per cent envisaged by the previous directive (RED II). This is a compromise between the 40 per cent most MS were proposing and the 45 per cent the Parliament and the Commission supported, but is nonetheless a significantly high objective which, considering the current RES share (21.8 per cent in 2021) may be hard to reach for the bloc and for some countries in particular. The establishment of sectorial targets is equally relevant

(as described in Dimension 1 of this Watch): the agreement also deals with transports and industry, with dedicated targets. Hydrogen is considered as well, and not by chance, since the resource was at the centre of a major political discussion in RED III on whether low-carbon hydrogen (and particularly nuclear) was to be included in the Directive. This was mostly pushed by France, which obtained a minor victory in this sense – nuclear-sourced hydrogen was indeed included, even if with rather stringent conditions. Hydrogen had however already advanced through the **approval** of the negotiation positions for the Council on the gas package; on the occasion of the Energy Council on 28 March ministers established their general approaches concerning the December 2021 Commission proposal for the development of a “dedicated hydrogen infrastructure and market”. While REDIII also includes renewable targets for buildings, it only partially addresses the complicated issue of the role of biomass. So far it only proposes more stringent standards but with “due regard to national specificities”, which seems to allow for the use of primary forest biomass in energy generation by countries such as Finland and Sweden (often considered unsustainable for its role in depleting the carbon absorption and biodiversity value of forests). And while REDIII has undoubtedly marked a key step in the energy transition debate in Europe, some questions are still open: while the final approval should be a formality (although this didn’t happen with the phase-out of the internal combustion engine), the success of the Directive will indeed largely depend on the ability of member states to implement adequate tools to reach the agreed targets in the short to medium term.

More generally, as the EU enters a new phase of the war and the energy crisis, it will have to start reconciling short-term diversification needs with its medium- to long-

term climate goals. While much of the legislation cited above goes in this direction, further efforts are needed to harmonise its vision with the individual actions taken by member states over the past months, and those expected for the upcoming future – a process which will also be achieved through the revision of National Energy and Climate Plans (NECPs), which will now include the REPowerEU component. The Commission will face the complicated task of avoiding some countries falling back into dependency on Russia (as for [Austria](#)), but also understanding whether the construction of new import capacity by others is proportioned to the EU's needs. Such is the case for the significant LNG capacity Germany has been aiming to build since the invasion of Ukraine, but whose convenience is currently being [questioned](#), and for the Piano Mattei, whose ultimate aim would be to turn Italy into an [EU energy hub](#).

The REPowerEU and Fit-for-55 packages go hand in hand. While some key topics are already addressed by the REPowerEU negotiations (such as renewables and efficiency), others under the Fit-for-55 package will require specific attention for an agreement to be reached before the end of the Commission's term. Some of these topics have witnessed significant action by the Commission in the past few months, particularly the already cited CBAM (which is further analysed in Dimension 1 of this Watch). While the measure has the potential to be a global game-changer in the fight against climate change, it will face a number of obstacles in its application, both external (with trading partners treating it as a masked European protectionist measure) and internal (with opposition from certain sectors, particularly [steelmaking](#)). Its success is also linked to the revision of the European Emission Trading System (EU ETS), on which an agreement was [reached](#) between the Parliament and the Council in December 2022, envisaging the

inclusion of the buildings and transport sector in the scheme. As the extension also affects private households, the measure has been widely [criticised](#) by French policymakers, who fear another wave of Yellow Vest style protests across the EU – this despite the [establishment](#) of a new 87 billion Social Climate Fund, largely funded by the EU and aimed at lessening the social impact of the transition (and which was one of the elements of the Fit-for-55 proposal). The measure is however largely necessary to decarbonise sectors such as heating which, despite the Commission's efforts, have seen their emissions rise in the past years.

In addition to these considerations, other critical points must be addressed before the Commission can finalise the Fit-for-55 package. The Regulation on methane emissions has also been part of the EU's work in the past few months, with the Council [agreeing](#) in December 2022 on a general approach to discussing the Commission's proposal. The agreement has however been [criticised](#) by both activists and the Commission itself for weakening the original plan by significantly dilating the inspection timeframe for possible methane leakages to six months, and reducing flaring and venting inspections from weekly to monthly. However, as the recent Joint Statement by President Biden and President von der Leyen [included](#) a pledge to "reduce methane emissions in the energy sector", it is possible that the proposal will also successfully be extended to countries exporting natural gas to the EU in the course of its revision.

The heated debate over phase-out of the internal combustion engine has been another key debate of the past months. The measure de facto banning the production of diesel and petrol cars by 2035 was approved in November 2022 and its final sign-off was seen as a formality until February 2023; yet,

opposition by the Free Democratic Party (FDP) of Germany, part of an increasingly unstable coalition, destabilised the deal that the country already agreed to during the November Council meeting. FDP transport minister Volker Wissing asked for guarantees by the Commission that e-fuels will be included in the zero-CO2 target of the Regulation, thus revamping the opposition of other member states, particularly [Italy](#), [Austria](#), [Poland](#) and [Bulgaria](#). The 7 March sign-off was then postponed by the Sweden presidency. Following the Energy Council on 28 March, the situation however seems normalised, thanks to the [inclusion](#) of an e-fuel exemption in the plan – a win for Germany, which pushed for the insertion, but a loss for countries like Italy, which lobbied for biofuels instead.

Some member states are on a war footing with the Commission concerning another piece of European legislation: the EU Nature Restoration Law. The document follows the [revision](#) of the Land Use, Land-Use Change and Forestry emission Regulation and tries to address the ongoing degradation of European habitats and carbon sinks. If approved, the Regulation will raise the target for CO2 absorption capacity of carbon sinks to 310mt by 2030 – more than 37 per cent of the capacity expected by the end of the decade. However, this will require inversion of the current trend of decline witnessed by most European habitats and ecosystems in the past decades, for which the EU Nature Restoration Law will be key. The piece of legislation will indeed not only provide a budget for renaturalisation of key ecosystems, such as wetlands and peatlands, but also limit the forest management practices that undermined the CO2 absorption capacity of these habitats. Indeed, EU legislation still [considers](#) forestry biomass as a renewable source, and thus promotes its employment for energy generation. This pushed countries such as Sweden and Finland towards shortening the life cycle of forests and the cutting of

natural forests – actions which also released a significant amount of the CO2 stored in trees and soils. While the new law should put an end to this, forestry-intensive countries have fought for years against any EU involvement in the sector and are [continuing](#) to do so. As Nordic countries are already pushing against the Law, the debate in the following months is expected to become even more heated.

The Commission is also consolidating its global position in terms of climate and energy diplomacy, with mixed results. The EU has now [established](#) its climate priorities ahead of COP28, finally agreeing to “promote the deployment of safe and sustainable low-carbon technologies”, which refers also to nuclear generation and low-carbon, nuclear-sourced hydrogen. This has been a truly thorny issue in the debate, with MS [failing](#) to reach agreement for weeks on end; and the partial agreement over nuclear-sourced hydrogen in REDIII likely influenced this outcome as well. At the same time, the Commission has revamped a stronger energy diplomacy to facilitate the joint purchasing of gas.

While finding a shared solution to this and many other issues could be challenging, the substantial action taken in these past few months is a clear sign of the Commission’s intention to start closing the loop started with the launch of the Green Deal. It will be a complicated process, also given the influence of domestic politics in several MS as well as international players’ moves and trends. However, achieving an at least partially completed Green Deal before the end of the term of this Commission will be fundamental not only to confirm the success of this new, sustainability-centred vision of the EU, but also to lay the foundations of a Union which could build its future around this approach.

DIMENSION 1

DRIVING THE GREEN DEAL

The Fit-for-55 package is progressing, but there are fears that several issues may not be finalised in time for the end of the legislation in 2024. Sweden, holding the EU's rotating presidency and chairing negotiations among member countries until July, **wants** to finalise tougher targets for renewable energy and energy efficiency, minimum energy performance standards for buildings, and requirements for airlines to use more green fuel, among Fit-for-55 dossiers. In the past months a central aspect of Europe's climate ambition, carbon pricing, has undergone important steps forward: at the end of 2022, the Council and Parliament reached a **provisional political agreement** on the important legislative proposals of the Fit-for-55 package, i.e., reform of the ETS and introduction of the CBAM. The combination of these two instruments certifies Europe's ambition to accelerate the transition within its own borders but also to find instruments that can strengthen its climate leadership by incentivising other states to follow the EU lead. Steps forward on the Energy Performance of Buildings Directive were also **confirmed** by the plenary and the final law will now be negotiated at the Council level, not without **tensions** among member states.

Expanding the carbon market

In December, EU negotiators **reached** an agreement to reform the ETS, with the scheme now being extended to cover more sectors of the economy in order to speed up the transition targets by 2030. The sectors covered by the ETS will have to cut their emissions to 62 per cent below 2005 levels by 2030 – a major increase on the current 43 per cent target. Legislators also agreed on a rebasing of the overall emissions ceiling of 90 and 27 million allowances respectively over two years, and increasing the annual reduction rate of the cap by 4.3 per cent per year from 2024 to 2027 and 4.4

from 2028 to 2030 (in what is called a "linear reduction factor"). In parallel, a provisional agreement on the CBAM, designed to function in parallel with the EU ETS to mirror and complement its functioning on imported goods, was **reached** in December. The text sets the transitional period from 1 October 2023 to 31 December 2025, with full implementation from 1 January 2026. The CBAM will cover a wider range of products (cement, electricity, fertilisers, iron and steel, aluminium and hydrogen) than those brought forward by the Commission. The EU ETS's free emission allowances are to be **replaced** by the CBAM from 2026 onwards. The

EU ETS and CBAM reforms are a few steps away from making the legislation binding, with a plenary vote expected in the second quarter of 2023.

Transports, opportunities and challenges

In addition to inclusion in the ETS, the transport sector is the focus of several legislative initiatives to accelerate decarbonisation. In February, the Parliament gave its [final approval](#) of the ban on the sale of new internal combustion engine cars by 2035. The Council's official approval of the new standards was supposed to be a formality, but the Swedish presidency had to [postpone](#) the sign-off of the new standards because of opposition from some MS. Finally, after Germany called for an exemption for cars running on [e-fuels](#), on March 28 EU ministers [signed off](#) on the legislation phasing out sales of new polluting cars and vans by 2035. The Commission [presented](#) its proposal for new CO2 standards for heavy-duty vehicles, which sets a 90 per cent carbon emissions reduction target by 2040. The targets are fleet-based, meaning manufacturers must meet them as an average. While most vehicles in 2040 will need to be powered by electricity or hydrogen, a minority may retain combustion engines. The regulation also includes stricter standards for city buses, requiring a switch to zero-emission technology by 2030. These policies have attracted much criticism because they could lead to job losses in the European car industry and create regressive effects for the lower classes. In order to support the expansion of electric vehicles, governments need to extend and strengthen the charging infrastructure and work on the Alternative Fuels Infrastructure Regulation, on which a [provisional agreement](#) is now subject to formal approval from co-legislators. Upcoming steps forward are expected on regulations that aim to accelerate the transition in the maritime sector

(on [REFuelEU Maritime](#) a provisional agreement was recently found) and aviation ([REFuelEU Aviation](#)) – other key pillars of the Fit-for-55 package.

Meeting halfway on the Renewable Energy Directive (RED) revision

Under the auspices of the Swedish Presidency, triologue negotiations on the Renewable Energy Directive (RED) between the Commission, the Parliament and the Council have recently reached a provisional agreement on revision of the RED. The target for the RES share of overall energy consumption in 2030 has been set at 42.5 per cent. This is an EU-wide and collectively binding target. Beyond this, member states should aspire to a further 2.5 per cent supplementary target. This is a compromise between the 40 per cent proposed by the majority of MS and the Commission's REPowerEU vision, asking for a 45 per cent target in an effort to reduce gas demand (and thus imports) in the bloc. The provisional agreement gives MS the [possibility](#) to choose between two objectives when it comes to several dimensions.

On renewable transports: a binding target of 14.5 per cent reduction of GHG in transport through the use of renewables by 2030, or a binding target of at least a 29 per cent share for renewables within the final consumption of energy in the transport sector by 2030. Furthermore, the agreement introduces a combined 5.5 per cent sectoral target for advanced biofuels + RFNBO (renewable fuels of non-biological origin, i.e., renewable hydrogen and synthetic fuels produced from hydrogen) in the share of energy supplied to the transport sector. Within this target, there is a minimum requirement of 1 per cent RFNBO in the share of energy supplied to the transport sector.

In the industry sector, the agreement provides for either a target where the use of renewable energy is increased by

1.6 per cent per year until 2030; or one where 42 per cent of the hydrogen used in the sector will come from RFNBO by 2030 (60 per cent by 2035).

For buildings, the agreement provides for either an indicative target of at least 49 per cent renewable energy in buildings in 2030, or a binding national renewable energy target of 0.8 per cent per year until 2026 and 1.1 per cent from 2026 to 2030.

The provisional agreement also strengthens the sustainability criteria for the use of biomass and applies a cascading principle to ensure that biomass is used according to its highest economic and environmental added value.

Debating green hydrogen

Linked to the previous point is the definition of green hydrogen, a particularly hot front in the last months, with the debate revolving around whether or not hydrogen produced by nuclear power should be considered renewable. On 9 February, the European Parliament's

energy committee recognised nuclear-generated hydrogen as a low-carbon energy source, and the French energy transition ministry subsequently called for more "coherence" in future texts on hydrogen. An updated Delegated Act under the RED directive was published on 13 February, with a mixed reception: the document expects more stringent additionality rules, to be applied however only from 2030. It also includes a regime of exceptions from the additionality principle for countries with a low-carbon electricity mix, allowing countries heavily relying on nuclear power to use electricity directly taken from the grid, after the conclusion of a Private-Public Agreement (PPA) with a renewable power generator. While the Act speeds up the development of a hydrogen market, it also allows limited employment of fossil fuels for hydrogen generation until 2030 – a measure that has divided activists.

DIMENSION 2

GREENING INDUSTRY

The title of this dimension – “greening industry” – has never been more topical: more than ever, strengthening the bloc’s industrial policy has become a top priority in Brussels, while worldwide many economic superpowers are boosting subsidy schemes to strengthen their green industry and clean tech independence. The bloc fears that what other countries are doing could encourage green industries to relocate production elsewhere or to build new factories outside the European Union. The US in particular has decided to subsidise decarbonisation by offering tax credits to support the development of green technologies through its Inflation Reduction Act (IRA) and the Chips and Science Act. The resulting competitiveness challenge to the European Union has sparked [strong criticism](#) across the bloc in the past months, both within EU institutions and domestically in member states. Against this backdrop the EU executive is proposing a number of solutions.

Keeping up with other powers’ strategies

The industrial dimension of the decarbonisation process is increasingly being narrated in strategic terms, and Europe’s [partners](#) are beginning to seize the net-zero industrial opportunities. The United States’ Inflation Reduction Act will mobilise approximately 390 billion dollars, and the bloc fears that Washington’s moves could result in a relocation of high-value-added production to the US, thanks to the promise of cheap energy and large subsidies. Japan’s green transformation, meanwhile, plans aim to raise approximately EUR 140 billion through “green transition” bonds. For its part, India has put forward the Production Linked Incentive Scheme to enhance competitiveness in sectors

like solar photovoltaics and batteries. The UK, Canada and many others have also put forward their investment plans for clean tech technologies. In this context, the European Commission adopted a “[Green Deal Industrial Plan](#)” in February to ensure that Europe’s production capacity for key technologies is increased. With its [Net Zero Industry Act](#) released in March, the Commission aims to keep clean tech manufacturing within Europe, with a 40 per cent target for key sectors like solar panels and batteries by the end of the decade.

“Made in Europe” RES

Although solar energy is essential for Europe’s decarbonisation, the bloc is almost entirely dependent on Beijing regarding manufacturing. With the

aim of regaining production lost to China, reducing dependencies and creating value in the bloc, the European Commission **launched** the EU's solar photovoltaic industry alliance. Boosting domestic manufacturing capacity is considered key for the EU to reach the REPowerEU objectives of over 320 GW of newly installed PV capacity by 2025, and almost 600 GW by 2030 (more than double the bloc's current output). The Alliance will also offer policy inputs to reduce Europe's risk of supply and to support domestic industry. Developments are also expected on the regulatory side, with Commissioner Breton expected to present new environmental and social criteria for PV manufacturing in the following months. Some MS are also considering strategies to make their industrial landscape for RES firms brighter. For example, the German **government** is looking to acquire shares in renewable energy firms and provide support to wind turbine and solar panel manufacturers in order to encourage production on their territory.

Addressing the EU's critical raw materials vulnerabilities

Since the onset of the war in Ukraine, the EU has been increasingly wary of its dependency on a few countries for critical raw metals (CRMs), and the bloc's executive has tried to respond to these challenges with a **CRM Act** presented in mid-March. Demand for rare earth metals for wind turbines, for example, is **expected** to increase 4.5-fold by 2030. Lithium, a key element for batteries in electric vehicles, will see an 11-fold increase in demand by 2030, and 57-fold by 2050. Under its Critical

Raw Materials Act, the EU has identified 18 critical raw earth metals necessary for the transition. The EU has set targets for mining and processing: in 2030 at least 10 per cent of rare metals must come from European mines and no country should supply more than 65 percent of any key material. Central in the Commission's idea is the creation of "strategic projects", which would benefit from streamlined permitting and easier financing (the EC estimates up to €20 billion to support the sector's growth), including counting on private investments and encouraging member states to maximise their use of state aid frameworks. In the meantime, the debate around CRMs in several MS is growing. In Germany, the Upper Rhine Valley could become an important source of lithium but there are several uncertainties on how quickly extraction can begin and how economically viable and socially acceptable this would potentially be. Berlin's goal, announced in January, foresees expanding the mining of raw materials at home to help the country meet its green targets: by 2030, it wants to get **15 million battery-installed vehicles** on the road and supply **80 per cent** of its electricity from renewable energy. In **Sweden**, news of a large rare earth deposit discovery made by state-owned company LKAB generated great hopes, although it will take 10–15 years to ramp up production. In December, the EU's trade negotiators secured a new **agreement** with Chile, which has the most abundant supply of high-quality lithium globally. The following month, German Chancellor Olaf Sholtz **agreed** on a "German-Chilean partnership on mining, raw materials and the circular economy".

DIMENSION 3

SUPPORTING THE TRANSFORMATION

The most interesting debate in the past months has revolved around how to streamline and coherently govern the (many) initiatives, tools, mechanisms, guidelines, policies and instruments the EU is setting up to respond to its current security and decarbonisation priorities. In the past months, REPowerEU has added new chapters for MS to take into account in their energy and climate policies. As part of the abovementioned priority to strengthen the domestic green tech industry in the decarbonisation era (see Dimension 2 – Greening Industry), the European Commission has loosened state aid rules in March. Another interesting development in the past months is the possible **introduction** of mandatory climate transition plans for banks, in line with a growing effort at the EU level to align financial flows with the transition to a low-carbon economy.

Streamlining the EU's funds and priorities

This has been the mantra of the past months. The Council has formally **adopted** an amending regulation to include chapters dedicated to the REPowerEU plan in the Recovery and Resilience Facility. Member states will now be able to add a new REPowerEU chapter to their National Recovery and Resilience Plans (NRPs) under NextGenerationEU, in order to finance key investments and reforms that will contribute to the achievement of REPowerEU objectives. Additional grants of €20 billion will be made available to finance investments and reforms, from the Innovation Fund (60 per cent) and frontloading ETS allowances (40 per cent). The forthcoming update of member state NECPs by June 2023 also provides

a unique opportunity to reflect the member states' level of ambition and path towards 2030, and to take account of other developments. Streamlining funds with priorities means, more than ever, understanding the collective needs of the Union alongside the national individual interests. Plans such as Italy's vision to become an energy hub for the bloc – and allegedly use **funds** under the REPowerEU plan to turn the vision into reality – must carefully assess environmental, infrastructural, economic, social and political risks and problems for the Union, besides the opportunities offered by the ongoing energy divorce from Moscow's energy sources.

Relaxing state aid rules

Recently, through a "**Temporary Crisis framework for state aid**", the

Commission relaxed state aid rules in its bid to counter the threat to European industry from US and Chinese subsidies, allowing MS to subsidise “the manufacturing of strategic equipment” such as solar panels, batteries, heat pumps and electrolyzers as well as the production of key components and related critical raw materials. The EU executive however worked on this solution against a backdrop of **disagreement** among different countries. Although the EU’s competition chief Vestager insisted that the new rules were “proportionate, targeted and temporary” and some MS do support such state aid expansion, other countries stated that the measure only helps nations with deep pockets and extensive room for manoeuvre, and risks fragmenting the single market.

Joining forces towards the transition

Europe is trying to find ways to support the transition by providing funds and adjusting its tools. Useful to implement national recovery and resilience plans, the EU RES financing mechanism is advancing. The first step towards implementation of the mechanism was taken on 27 February in a binding **commitment** by Finland and Luxembourg; Finland will allow solar PV projects located in its territory with a total capacity of up to 400 MW, whilst Luxembourg is voluntarily contributing EUR 40 million. On another front, the European Union has **granted** EUR 1.8 billion through its Innovation Fund to 16 innovative projects that cover ground-breaking technologies and act as pioneers towards decarbonisation. These span from green hydrogen and synthetic sustainable aviation fuel, to methanol production from renewable hydrogen.

DIMENSION 4

STRENGTHENING SECURITY AND DIPLOMACY

EU and MS plans to diversify and strengthen their energy security is progressing. For example, construction activities on the Bulgaria-Serbia gas interconnector (a Project of Common Interest, PCI) have been **inaugurated**. In December, the bloc's 27 energy ministers **agreed** on a gas price cap following months of debate: under the agreement, gas prices in the EU's main trading hub will be capped if they exceed €180 per megawatt-hour (MWh) for three consecutive working days and if they are higher than global gas prices by more than €35/MWh for the same three days. The price crisis has opened a lively discussion on the European electricity market, prompted by the numerous distorting effects of the emergency on the market and on electricity prices in Europe.

Forward with the emergency package

In the course of 2022, as emphasised in the foreword of this issue, the Commission and member states approved several debated measures to tackle the natural gas crisis – including joint gas purchases, the solidarity mechanism and the Market Correction Mechanism. The approval of some of these instruments, especially the Market Correction Mechanism, had to go through lengthy negotiations due to the distant positions of some member states, risking a replication of the discord between the so-called frugal and non-frugal states. The joint purchase of gas is expected to come into operation this spring to ensure the filling of storage ahead of winter 2023. The mechanism does not come without its difficulties, both in terms of

the volumes it is supposed to handle (about 13.5 bcm against circa 400 bcm European annual consumption) and because of the reluctance of MS to voluntarily lose a key aspect of their energy security strategy.

Key talks on electricity market reform

The current electricity market has ensured many benefits for consumers and for the growth of renewables, guaranteeing a return on investments. However, since the price of electricity is set by the price of the marginal fuel (usually gas), consumers have seen their bills rise with the rising price of gas as well as the lack of liquidity affecting energy markets subsequent to the war in Ukraine, forcing governments to allocate substantial financial resources to alleviate economic hardship,

spending over EUR 600 billion by 2022. The Commission and many member states have called for a review of the electricity market, starting with the decoupling of gas prices from electricity produced from other sources, in order to avoid a repetition of the cost contagion experienced in 2021/22. Announced by President von der Leyen during her State of the Union speech in September 2022, a plan to reform the EU's electricity market design was [published](#) on 14 March 2023. The proposal does not seek to change the fundamentals of the market. Instead it includes measures to empower citizens in the energy market, granting them a wider choice of contracts and a more transparent set of information. Another key aspect of the reform is making the market more adaptable to changes in supply and demand, helping to displace fossil-fuel-generated power during peak hours. The Commission's reform also seeks to [support](#) long-term contracts for power supply and demand. While many countries have joined and supported the reform drive, such as France and Spain, other countries, [Germany](#) in particular, have expressed their scepticism, calling for more caution especially before the European elections. Therefore, electricity market reform seems to be the most complicated dossier to complete

before the end of this parliamentary term.

The strengthening of energy diplomacy and coordination

Energy diplomacy is hard at work. Interestingly, while there is an ongoing trade tension between the US and the EU over green tech subsidies, dialogue between the two shores of the Atlantic is active as part of the EU's work to facilitate the joint purchasing of gas. Vice-President of the European Commission for Interinstitutional Relations Maroš Šefčovič [travelled](#) to Washington DC for a series of meetings to further strengthen EU-US cooperation on energy security. On a different page, the European Union – together with the international G7+ Price Cap Coalition – has [adopted](#) price caps for seaborne Russian petroleum products (such as diesel and fuel oil). This comes on top of the price cap for crude oil in force since [December 2022](#), and complements the EU's full ban on importing seaborne crude oil and petroleum products into the European Union. This decision will hopefully hit Moscow's revenues harder and reduce Putin's ability to finance his war in Ukraine.

IN DEPTH

INTERVIEW

KURT

VANDENBERGHE

DIRECTOR-GENERAL
DG CLIMA, EUROPEAN
COMMISSION

After one year of war, the EU is still managing the effects of the energy crisis, while at the same time it quickly needs to speed up its decarbonisation path as several Fit for 55 pillars are under discussion. 2023 is also the last full year of the current legislation and of this Commission. Do you think that in the run-up to the next European elections and because of the ongoing energy crisis co-legislators may be distracted from the important legislative steps on climate policy?

One year ago, Russian forces invaded the sovereign nation of Ukraine. Since then, we have witnessed how the Kremlin has been using its fossil fuels as economic and geopolitical weapons. That's why we launched REPowerEU: our plan to break free from Russian fossil fuels and accelerate the green transition. The plan includes a number of short and long-term measures to save energy, boost renewables, and diversify our energy supplies.

REPowerEU comes on top of our existing ambitious targets to cut greenhouse gas emissions by at least 55% by 2030 and reach climate neutrality by 2050. We aim to make all sectors of the EU economy fit for this challenge, which means that we have a very busy agenda. For instance, we have just reached an agreement with the Parliament and the Council to make all new cars and vans zero-emission from 2035. We have reached agreements on the emissions trading system, expanding it also to maritime and transport and building sectors. Among other files, we're currently negotiating an agreement to secure more recharging and refuelling stations across Europe, as well as an agreement to phase down the very potent greenhouse gas HFC (hydrofluorocarbon), which can be found in devices such as air conditioning units.

I do not think that a focus on the energy crisis should distract any reasonable person from climate policy, as the two are inextricably linked. Increasing our investment in renewables and in energy efficiency will also help to make our energy more affordable and more independent from imports. The EU remains committed – and indeed legally obliged – to deliver on its climate objectives, and in doing so we also decrease our dependence from Russian oil and gas.

The industrial dimension of the decarbonisation process is increasingly being narrated in strategic terms. While the US and Europe show important common interests in this context, approaches and capabilities do diverge. Europe is now debating on how to respond to the US IRA. Member States with less fiscal room call for joint action and for the creation of new EU funds, fearing a loss of competitiveness not only to the US but also to Member States with more fiscal room. This latter group seems to advocate for a relaxation of State aid rules as a preferred instrument to support EU industries. Others call for compromise with the US. How can Europe stay united in reacting to the IRA?

The largest economies in the world – from the United States to India, from China to Japan – have all started to invest massively in green innovation. That's good news for the planet as we need to boost innovative green technology while, at the same time, there is a lot of pressure on the EU to support its own industrial green transition. We need a level playing field both in Europe and in the world. That is also why our President has announced that she would like to de-risk, not decouple, the diplomatic and economic relations with China.

Each Member State has its own preference, and at the same time we need some coherence at EU level. That's why on 1 February 2023, President von der Leyen proposed a plan that we believe everyone can get behind: the Green Deal Industrial Plan. This plan aims to secure Europe's place as the home of net-zero industrial innovation, clean tech, and green jobs.

It stands on four pillars: a predictable and simplified regulatory environment, faster access to funding, enhancing skills, and open trade for resilient supply chains.

The Commission then followed up with the Net-Zero Industry Act. We aim to create a simpler and more predictable legal framework for net-zero industries in the EU. If adopted, this proposal will scale up net-zero technology manufacturing in the EU to provide at least 40% of the EU's annual deployment needs for strategic net-zero technologies by 2030. It also provides a framework for implementing the new European Hydrogen Bank, which aims to stimulate investment in sustainable hydrogen production. We also proposed a Critical Raw Materials Act, to ensure secure and sustainable supply chains for the EU's green and digital future.

I am fully confident in the potential of Europe's industry to lead the global green transition. The European Green Deal was designed as a growth and innovation strategy from the start. It is an essential driver for securing our global competitiveness.

Carbon sinks are becoming crucial, but many Member States have forestry and land use policies which have actively diminished their CO2 absorption capacity over the past decades. How is the upcoming EU legislation on nature restoration going to reconcile the European and national perspectives on carbon sinks?

The Nature Restoration Law aims to reverse the alarming trend of biodiversity decline through the restoration of ecosystems, while at the same time contributing to the EU's climate objectives. This law will target ecosystems that have a large capacity for carbon storage and sequestration such as wetlands, forests, grassland, cropland and marine habitats.

This means the Nature Restoration Law has a lot of potential for climate mitigation (e.g. by rewetting drained peatlands); as well as climate adaptation, by making ecosystems more resilient so they can withstand disasters such as floods, heat waves, droughts and forest fires.

The restoration targets in the Nature Restoration Law are binding for Member States. In their National Restoration Plan, the Member States will have to plan exactly which measures they will implement and where. In many cases, this will require changes in land management practices such as closer-to-nature forestry, and agricultural practices that enable the recovery of biodiversity and ecosystems, such as rewetting of wetlands and peatlands.

Hydrogen can contribute to the decarbonisation and energy security of Europe. Green hydrogen, in particular, is an important part of the REPowerEU plan. The debate around the Gas Package, additionality criteria for green hydrogen and the role of nuclear power in hydrogen production is however showing that there are divisions inside Europe, and many denounce that hydrogen is not being given enough support. Is there an emerging mismatch between hydrogen targets and the policy framework that would be supposed to enable investment?

In our joint pursuit of climate neutrality and energy security, hydrogen plays an important role indeed.

We have proposed a framework to clearly define what constitutes renewable hydrogen in the EU.

Among other benefits, this framework will help ensure that hydrogen-based fuels can only be produced from "additional" renewable electricity generated at the same time and in the same area as their own production.

To answer your question: is there a mismatch between the framework and our targets? No. The framework does not harm our ambitions at all, it simply ensures that renewable hydrogen is produced from renewables and that sufficient renewables will be built to meet additional electricity demand.

I would also like to add that we recently announced the launch of a European Hydrogen Bank, which aims to stimulate investment in renewable hydrogen by making the four following pillars operational by the end of the year: EU domestic market creation, international imports to the EU, transparency and coordination, and streamlining existing financing instruments.

In early 2023, the Parliament gave its final approval to make all new cars zero-emission vehicles by 2035. In addition, the Commission is also working on presenting new CO2 emission standards for heavy-duty vehicles. These policies have attracted much criticism because they could lead to job losses in the European car industry and create regressive effects for the vulnerable EU citizens. How to move forward on this crucial pillar?

We are glad that both the European Parliament and the European Council have now adopted the European Commission's proposal to make all new cars and vans registered in Europe zero-emission from 2035. Therefore it can legally enter into force. - the first of the 'Fit for 55' legislative proposals presented by the Commission in July 2021 to deliver the European Green Deal

It's important to note that our proposal only concerns new cars and vans to be registered after 2035: the internal combustion engine will not suddenly disappear in 2035. The legislation is technology-neutral and the industry will decide on what technology to use.

I also remain convinced of the soundness of our proposal to introduce stronger emission standards for heavy-duty vehicles, the emissions of which we propose slashing by 90% by 2040.

You raise the issue of people in the automobile industry being worried about their jobs, as well as wider concerns about socio-economic vulnerability.

It is clear that the transition towards zero-emission mobility will require a significant transformation along the entire value chain and will affect employment across sectors. Our analysis shows that strengthening the CO2 emission standards will bring net positive impacts on economy-wide employment. New jobs will be created, for instance in battery production, electronics and in the energy sector. They will largely compensate for some of the current jobs disappearing, due to the reduced production of internal combustion engine vehicles and their specific components. Automotive suppliers may have to adapt their portfolio of products and services and reskill their employees.

The EU is investing billions funding opportunities to make sure the green transition leaves no one behind.

For instance, we are proposing the creation of a Social Climate Fund, which would mobilise EUR 86.7 billion to support Europe's most vulnerable citizens. Specifically, the Social Climate Fund would support those affected by the impact of the new emissions trading system for building and transport fuels by providing direct income support for vulnerable households and supporting investments in energy efficiency and renovation of buildings, clean heating and cooling, and integration of renewable energy as well as help improve access to zero-and low-emission mobility, including public transport.

Furthermore, the green transition is expected to create around 1 million additional good, green jobs in the EU by 2030, and 2 million by 2050. The Green Deal Industrial Plan, which will enhance Europe's net-zero industry, will play a crucial role in making this happen. When it comes to a fair transition, the EU is playing its part.

APPENDIX

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

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 CO2 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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