

POLICY PAPER

European Green Deal: will it bring structural change?

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- The European Union is now taking the lead on climate action when striving to transform Europe into the first climate-neutral continent. This aim is at the core of the European Green Deal, a new strategy introduced by the Commission in December 2019.
- While the European Union and the rest of the world's community is mobilizing, the climate change and environmental degradation are reaching unprecedented heights and posing an existential threat to the whole world. Climate change is by its nature a trans-boundary issue that requires a coordinated action.
- The EU's ambitious plan was introduced during a time of a "green boom", when environmental issues were among top political priorities. But is this Deal really going to turn the tables?





Introduction

Environmental issues are now, more than ever, in the centre of global attention. Bearing this in mind, in December 2019, the newly established European Commission under the presidency of Ursula von der Leyen took action introducing a new package known as the European Green Deal. This new strategy aims to decarbonise Europe by 2050 while at the same time ensure a sustainable growth of the EU economy.

In order to make this a reality, European Green Deal provides a roadmap with actions to promote resource efficiency through the transition to a clean circular economy, mitigating climate change, preventing biodiversity loss and reducing pollution. As one might expect, achieving this will require action in all sectors of the economy such as agriculture, energy, transport and industry, bringing – among others – revision of agricultural strategies, a new offshore wind power strategy or revision of vehicle emissions taxation. This broad scope might therefore bring the highly anticipated structural change.



Source: European Commission, "The European Green Deal", 11.12.2019, https://ec.europa.eu/info/sites/info/files/european-green-deal-communication_en.pdf.



EU takes on climate leadership role

A new package was announced not long after the European Parliament declared a global "climate and environmental emergency". There have been voices from across the political spectrum warning "greenwashing", claiming that the plan is purely a rhetorical exercise.² However, the Commission insists that its work is guided by the public's demand for climate action³ and by undeniable scientific evidence.4

The European Union has been among leading actors in tackling greenhouse gas emissions. It is no coincidence that the state of climate and environmental emergency, mentioned above, was declared just before COP25 talks in Madrid in December 2019. The EU-wide climate emergency can be seen as a symbolic move and a strong message of political commitment, while at the same time the US confirmed its withdrawal from the Paris Agreement.

Furthermore, apart from being a pioneer in carbon neutrality, the Green Deal will also help with implementing the United Nation's 2030 Agenda and the Sustainable Development Goals. In line with a promise of the UN "leaving no one behind", the Green Deal's goal is to make the transition just and inclusive for all.

What are the next steps?

As mentioned above, the European Green Deal is a framework for further measures that are not only yet to be introduced, but also passed through the EU's legislative processes. However straightforward the task may seem, given the declaration of climate and environmental emergency, there is no doubt that the upcoming years will be full of tough political negotiations, as for some states, including the Czech Republic or Poland, the obligations will be difficult to meet.

Just like von der Leyen promised, within the first 100 days in the office, the Commission tabled a proposal on European Climate Law, enshrining the goal of carbon neutrality into EU's legislation. In form of regulation, the Climate Law presents tools of assessment and empowers the Commission to issue recommendations to member states and to require a development and implementation of state's adaptation strategies to strengthen resilience and reduce vulnerability to the effects of climate change. Furthermore, the law proposes to explore options for a new 2030 target of 50% to 55% emission reductions compared to 1990 in order to set the bloc on the path to meeting the climate neutrality goal in 2050.5

To engage with the citizens and communities, the Commission opened a public consultation until May 2020⁶ in order to prepare the European Climate Pact, that will raise awareness about climate change and encourage people and organisations to commit to concrete actions.

Most likely some of the measures planned to be introduced this year will be delayed due to the current coronavirus outbreak, such as the Farm to Fork Strategy or the Biodiversity Strategy.

¹ The Guardian, "EU parliament declares climate emergency", 28.11.2019

https://www.theguardian.com/world/2019/nov/28/eu-parliamentdeclares-climate-emergency

² The Guardian, "EU Green Deal greenwashing", 7.2.2020, https://www.theguardian.com/commentisfree/2020/feb/07/eu-<u>green-deal-greenwash-ursula-von-der-leyen-climate</u> .

³ According to the Eurobarometer survey, 94% of EU citizens said that protecting the environment is important to them and 91% stated that the climate change is a serious problem in the EU. More can be found here:

https://ec.europa.eu/commfrontoffice/publicopinion/index.cfm/sur vey/getSurveydetail/instruments/special/surveyky/2257.

⁴ European Commission Presscorner, "European Green Deal", 11.12.2019

https://ec.europa.eu/commission/presscorner/detail/e%20n/ip 19

⁵ European Commission, "A proposal for a regulation of the European Parliament and of the Council establishing the framework for achieving climate neutrality and amending Regulation (EU) 2018/1999 (European Climate Law)", 4.3.2020, https://ec.europa.eu/info/sites/info/files/commission-proposalregulation-european-climate-law-march-2020_en.pdf .

⁶ Public consultations can be accessed here: https://ec.europa.eu/info/law/better-regulation/have-yoursay/initiatives/12219-European-Climate-Pact/public-consultation.



Reality check

According to the European Environmental Agency (EEA), Europe's environment is now at a tipping point, giving the EU a narrow window of opportunity to act and lessen the impacts of climate change. 7 To avoid these, it is necessary that the global CO_2 emissions start to decline well before 2030. 8

From 1990 to 2018, EU's emissions declined by 23% while the GDP increased by 61%. Furthermore, the EU has recently shown a clear determination by banning some of the single-use plastics, introducing stricter emission standards for vehicles or controlling and banning the use of fluorinated gasses in certain types of appliances.

Despite EU's achievements, the Green Deal is often criticised for being too ambitious, even impossible to implement, and too costly. In fact, The Green Deal Investment Plan, introduced in January, requires mobilisation of €1 trillion investment over the next 10 years. According to Bruegel, this would just represent a third of the additional investment needs; ultimately only national governments and the private sector will be able to fill the majority of Europe's "green investment gap".9

However, the biggest question mark yet poses the world-wide coronavirus outbreak. Whereas the sudden turnover from climate crisis to health crisis seems to have transferred all the necessary capacities, there have been calls from governments as well as the private sector for green measures to be the cornerstone of the future "comprehensive recovery plan". ¹⁰

European Green Deal and the Czech Republic

Even though the starting position is not quite favourable in terms of dependency on highly carbon-intensive sectors (coal power, automobile industry), the Czech Republic joined the other member states in supporting the Green Deal in December 2019.

However, when it came down to walking the talk, the prime minister Andrej Babiš said that we should "forget the Green Deal and focus on coronavirus"¹¹. He was followed by the minister of industry and transport, Karel Havlíček: "let's all come back to the ground and let go of the ideas that would not have been fulfilled anyway"¹², which once again unveiled the persisting sceptical attitude of the Czech government towards climate initiatives.

Poland is also standing on the sideways of the common European path towards higher climate ambition, officially stating that it would reach climate neutrality at "its own pace". Poland's opt-out is based on its economic structure and energy mix. But the Commission promised that where it is needed the most, the Just Transition Fund should help with restructuring of coal regions and with the transition to renewable energy sources with the amount of €10 bn of available funds.

⁷ The European Environmental Agency, "The European Environment – state and outlook 2020, 4.12.2020, https://www.eea.europa.eu/publications/soer-2020-executive-summary.

⁸ IPCC, "Summary for Policymakers, Global Warming of 1.5°C", 2018,

https://www.ipcc.ch/site/assets/uploads/sites/2/2019/05/SR 15 SPM version report LR.pdf

⁹ Bruegel, "A trillion reasons to scrutinise the Green Deal", 15.1.2020, https://www.bruegel.org/2020/01/a-trillion-reasons-to-scrutinise-the-green-deal-investment-plan/.

 $^{^{\}rm 10}$ Euractiv, "EU leaders back green transition in pandemic recovery plan", 27.3.2020,

https://www.euractiv.com/section/energy-environment/news/euleaders-back-green-transition-in-pandemic-recovery-plan/

¹¹ Euractiv, "Kvůli koronaviru má Evropa zapomenout na klima, říká česká vláda. Nesmysl, brání se ekologové", 17. 3. 2020, https://euractiv.cz/section/cr-v-evropske-unii/news/kvulikoronaviru-ma-evropa-zapomenout-na-klima-rika-ceska-vladanesmysl-brani-se-ekologove/.

¹² Euractiv, "Kvůli koronaviru má Evropa zapomenout na klima, říká česká vláda. Nesmysl, brání se ekologové", 17. 3. 2020, https://euractiv.cz/section/cr-v-evropske-unii/news/kvuli-koronaviru-ma-evropa-zapomenout-na-klima-rika-ceska-vladanesmysl-brani-se-ekologove/.



Conclusion

Implementing the European Green Deal is going to be the main task of the new Commission. When introducing the Green Deal, Ursula von der Leyen stated that this is "Europe's man on the moon moment", foreshadowing the extremely demanding job ahead of her.

It is clear, that the green transition will be very challenging not only for the Czech Republic and Poland as coal-reliant countries, but for every other member state given, inter alia, the dependency on fossil fuels in areas such as heating and transportation.

The border line of 1,5°C rise of global temperature, determined by the IPCC to be the "safe" increase and embedded in the Paris Agreement, would be impossible to retain if no strong action is taken. It seems that until now, the EU has lacked a clear environmental foreign policy. With the Green Deal, the EU can influence other states to take similar measures. In spite of the fact that the EU accounts for only 10% of greenhouse gas emissions globally¹³, it is a first real endeavour to reverse the perilous and fast advancing process of climate change.

Coronavirus will cause many delays in implementing measures as well as in important negotiations. The UN Climate Change Conference in Glasgow (COP26) had to be postponed until 2021. On the other hand, some estimates suggest that this year the greenhouse gas emissions will drop by as much as 5%. Furthermore, the coronavirus crisis revealed which countries are truly committed to climate goals and which countries would rather go back to business

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as usual. Solving the coronavirus crisis and its impacts should go hand in hand with the green transition without causing any pushback.

Driven by the current climate situation, the EU has prepared a comprehensive growth strategy that has the potential to change the entire European economy and lifestyle of its citizens. In order to meet the obligations, it is crucial to be flexible and to keep adopting necessary measures, while putting pressure on others to work towards the same goal.

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Lucie Vinařská holds BA from International Area Studies (with the focus on the EU) from the Charles University in Prague and is currently pursuing MA in Law at the same university. She has done internships at the EU policy department at the Czech Ministry of Foreign Affairs, the Permanent Mission of the Czech Republic to the UN and in the EUROPEUM Institute for European Policy. She has been focusing on the approach of the Czech Republic towards environmental protection. Currently, she is working in the Green Circle association.

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¹³ Communication from the Commission: A clean planet for all, 28. 11. 2018, https://eur-lex.europa.eu/legal- $\frac{content/EN/TXT/HTML/?uri=CELEX:52018DC0773\&qid=15880963}{04570\&from=CS} \, .$