

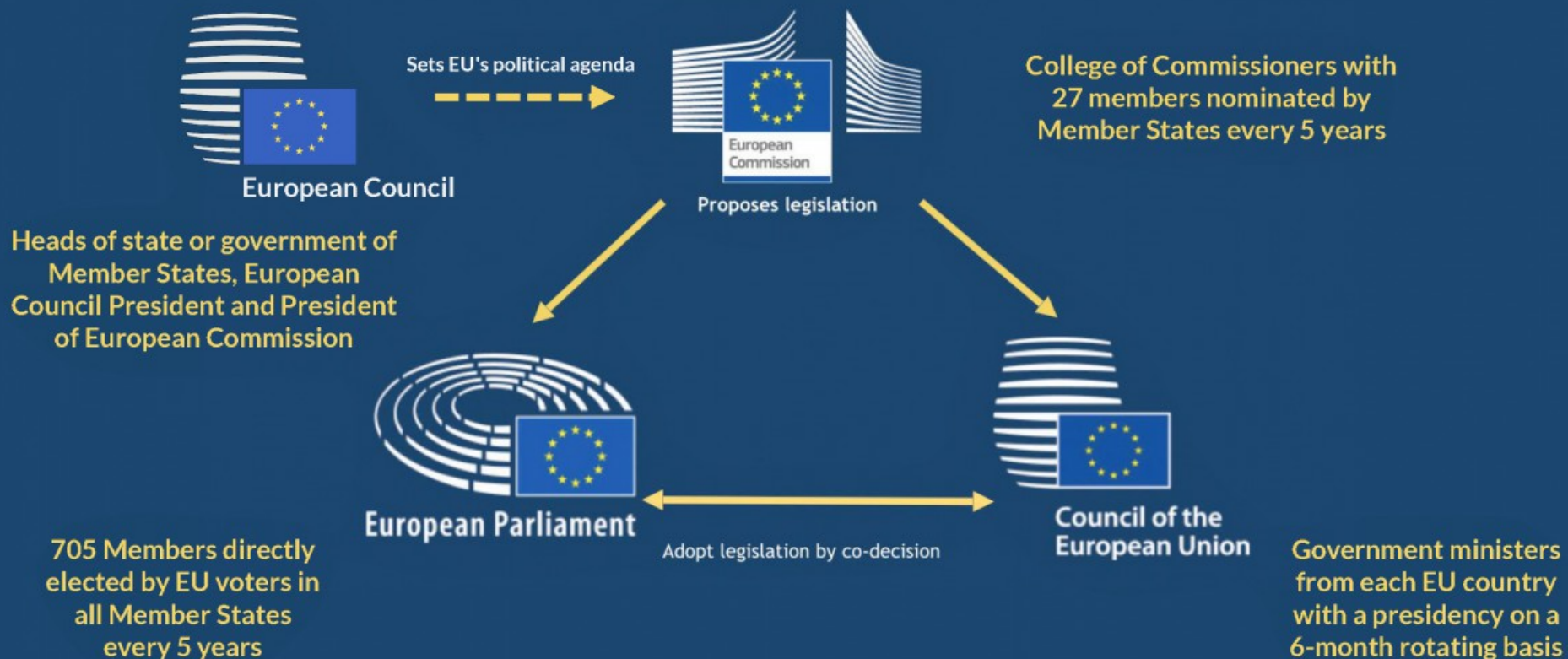


**EU Climate Policy and Action**  
**CAN Japan Webinar**  
**9 October 2020**

# Content

1. Intro: how the EU works
2. Current EU Climate Targets and Policies
3. Evolution GHG emissions, efficiency, renewables
4. European Green Deal
5. Revision EU NDC/2030 Climate Target Plan
6. Climate, EU budget & EU recovery package
7. Coal phase out and the Just Transition
8. Climate Impacts in Europe
9. European civil society actions

# How does the European Union work?



# EU Climate and Energy Targets

## EU CLIMATE STRATEGIES AND OBJECTIVES

TARGET FOR REDUCING GREENHOUSE GAS compared with 1990 level

20%

EU climate and energy package until **2020**

TARGET FOR RENEWABLE ENERGY % renewable energy

20%

EU climate and energy targets until **2030**

COMMISSION OBJECTIVE  
a climate-neutral Europe

TARGET FOR ENERGY EFFICIENCY % improvement

20%

32,5%

32%

EU climate strategy until **2050**

# EU 2020 Targets

## 2020

- -20% greenhouse gas emissions (vs. 1990)
  - -21% in Emissions Trading (ETS) sectors (vs. 2005)
  - -10% in non ETS sectors (vs. 2005)
- 20% renewable energy
- -20% energy consumption

# EU 2030 and 2050 Targets

## 2030

- -40% greenhouse gas emissions (NDC)
  - 43% in ETS
  - 30% in non-ETS
- 32% renewables
- -32.5% energy consumption

## 2050

Climate neutrality

- 87% to 93% emission reductions
- 7% to 13% removals

# EU Climate & Energy Policy Architecture

## Main pieces of legislation

### Climate

- Emissions Trading Scheme – EU wide
- Effort Sharing Regulation – national targets
- LULUCF Regulation: no net emissions

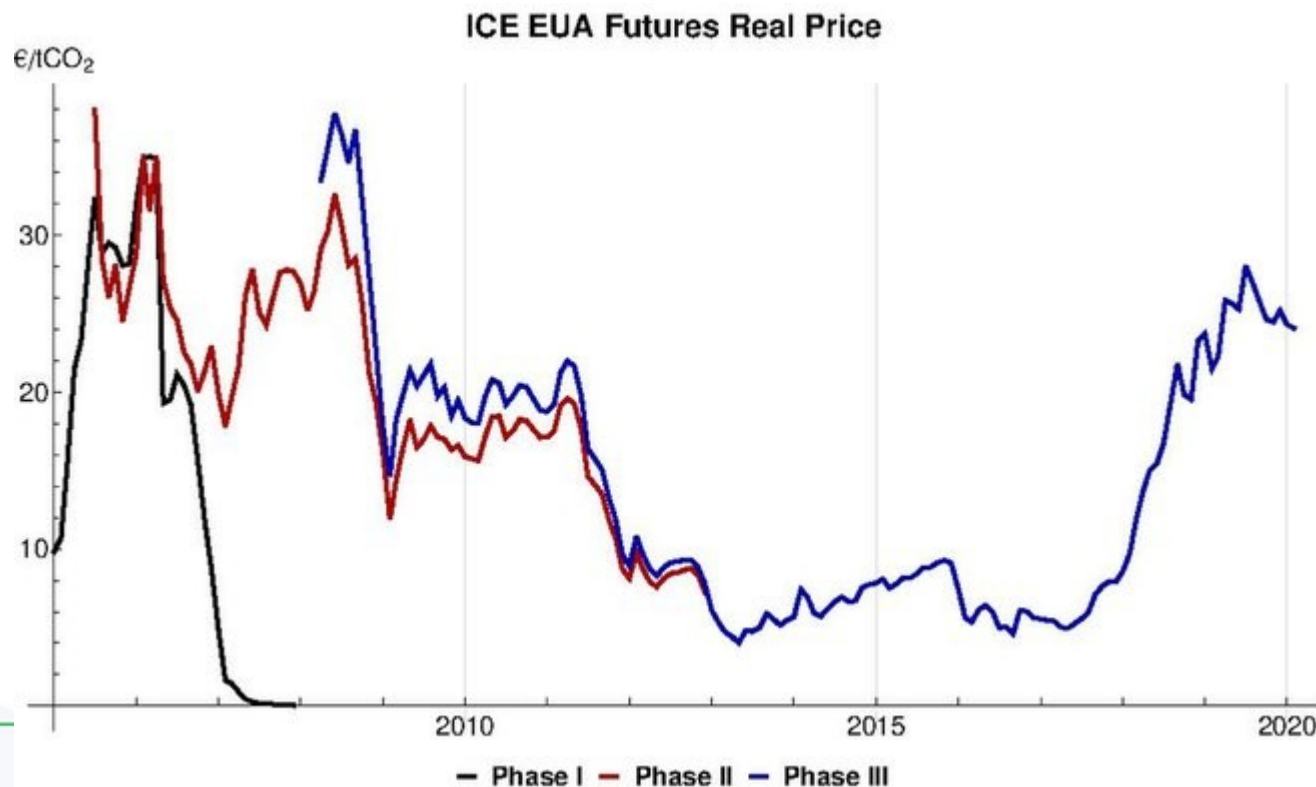
### Energy

- Energy Efficiency Directive
- Renewable Energy Directive



# Emissions Trading Scheme (ETS)

- Covers +10.000 big installations
- Annual reductions in allowances (2.2%)
- Fluctuating carbon price due to fast decarbonisation





# Non-ETS\* emissions by sector

\*outside of the EU emissions trading system

Effort-sharing regulation

Total  
emissions  
for 2015

2519 Mt

= 60% of EU greenhouse  
gas emissions

Waste



139 Mt

888 Mt

Transport  
(excluding aviation  
and shipping)



Industry,  
energy supply  
and product use



421 Mt

437 Mt

Agriculture



634 Mt

Buildings

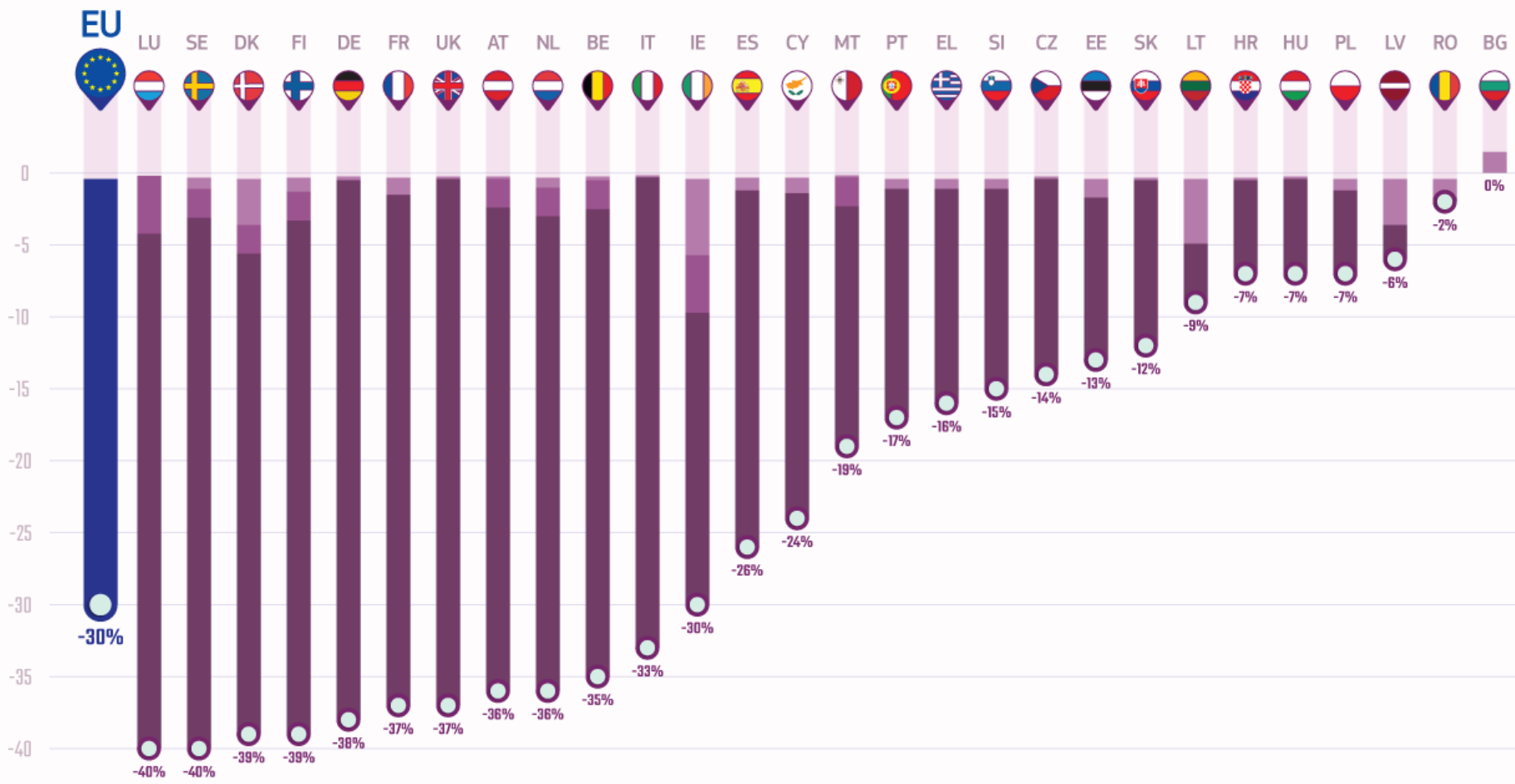


All numbers are in megatons.

Source: European Environment Agency

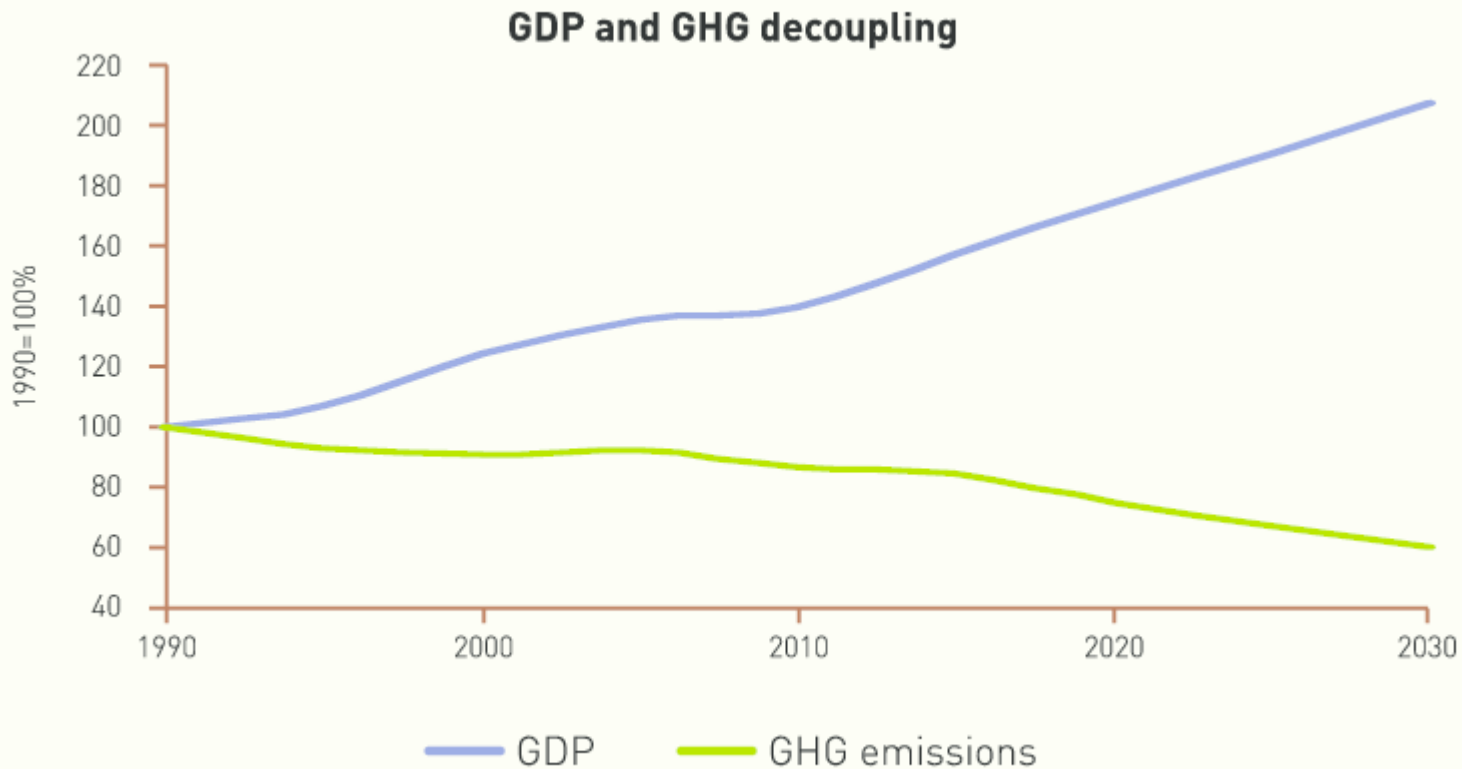


# Member State specific emission reduction targets for 2030 compared to 2005, for sectors outside the EU Emissions Trading System including new flexibilities for reaching those targets



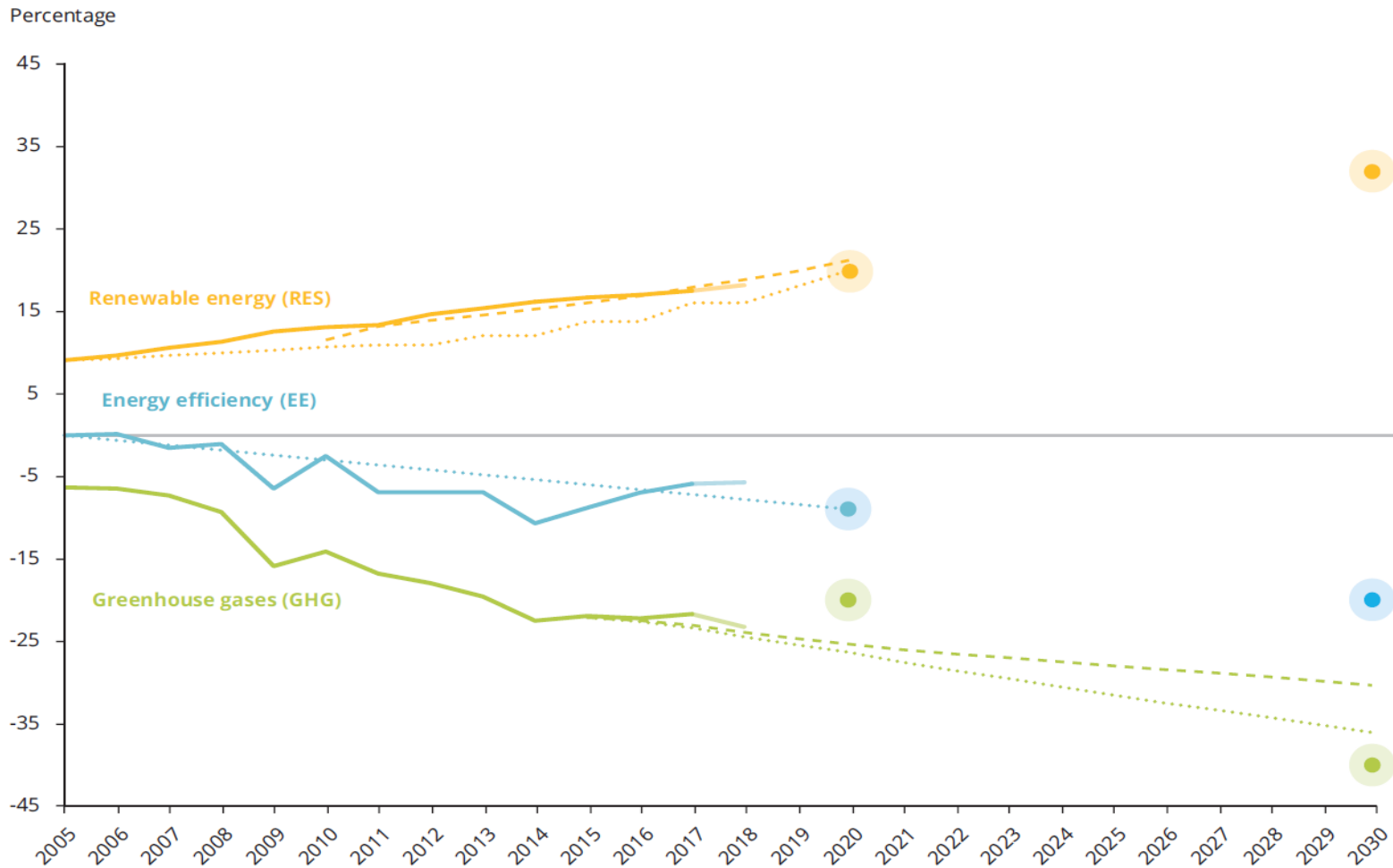
Maximum flexibility from EU ETS  
 Maximum flexibility from Land Use Sector

# Impact: decoupling

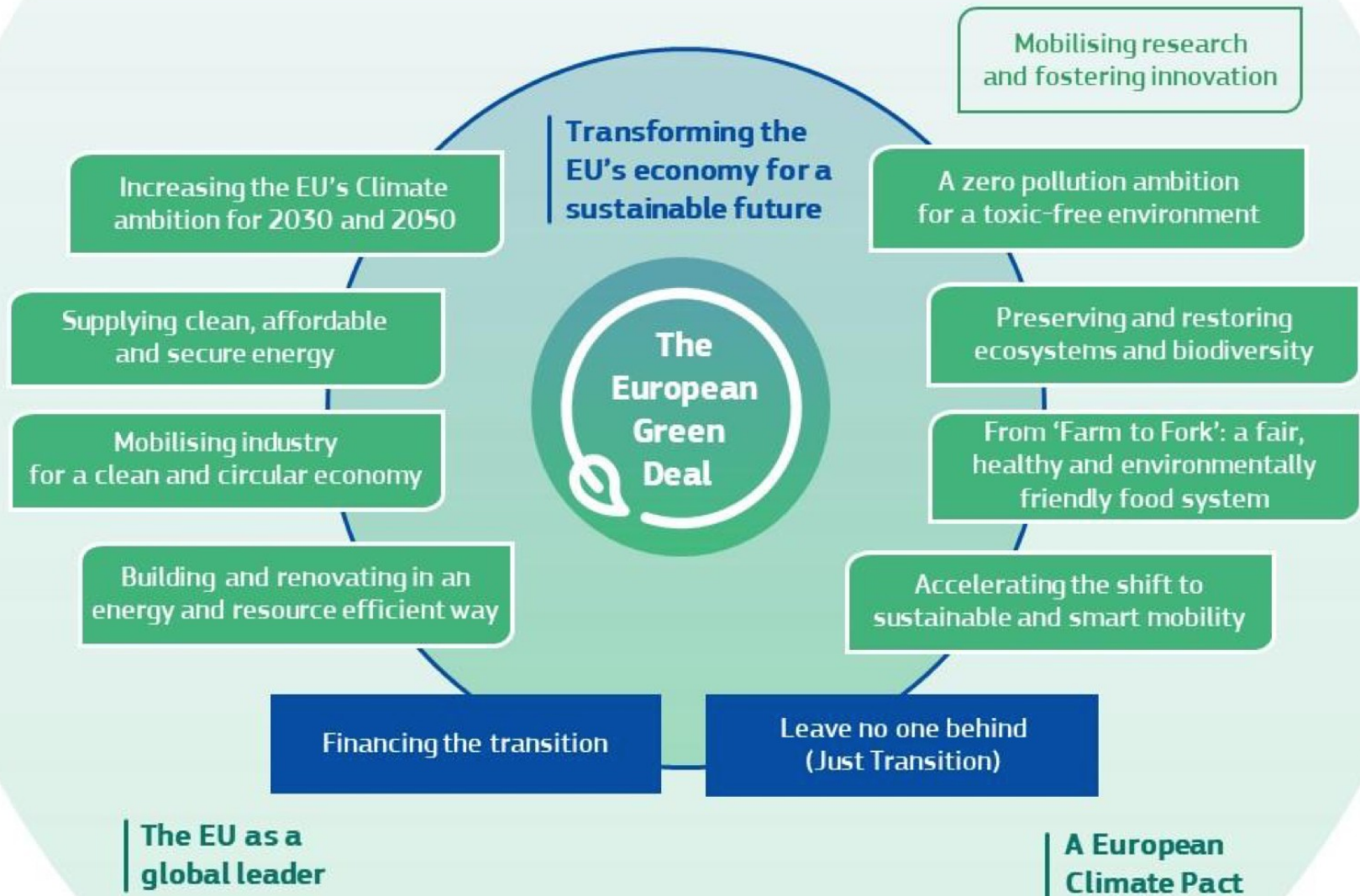


# Targets (almost) achieved

Figure ES.2 EU progress towards 2020 and 2030 targets on climate and energy



# European Green Deal



# EU Climate Law

- Putting Climate Neutrality into Law
- Legislation: Qualified Majority
- European Parliament:
  - 2030 Target
  - Scientific Panel
  - All Member States to achieve climate neutrality

# EU 2030 Climate Target Plan

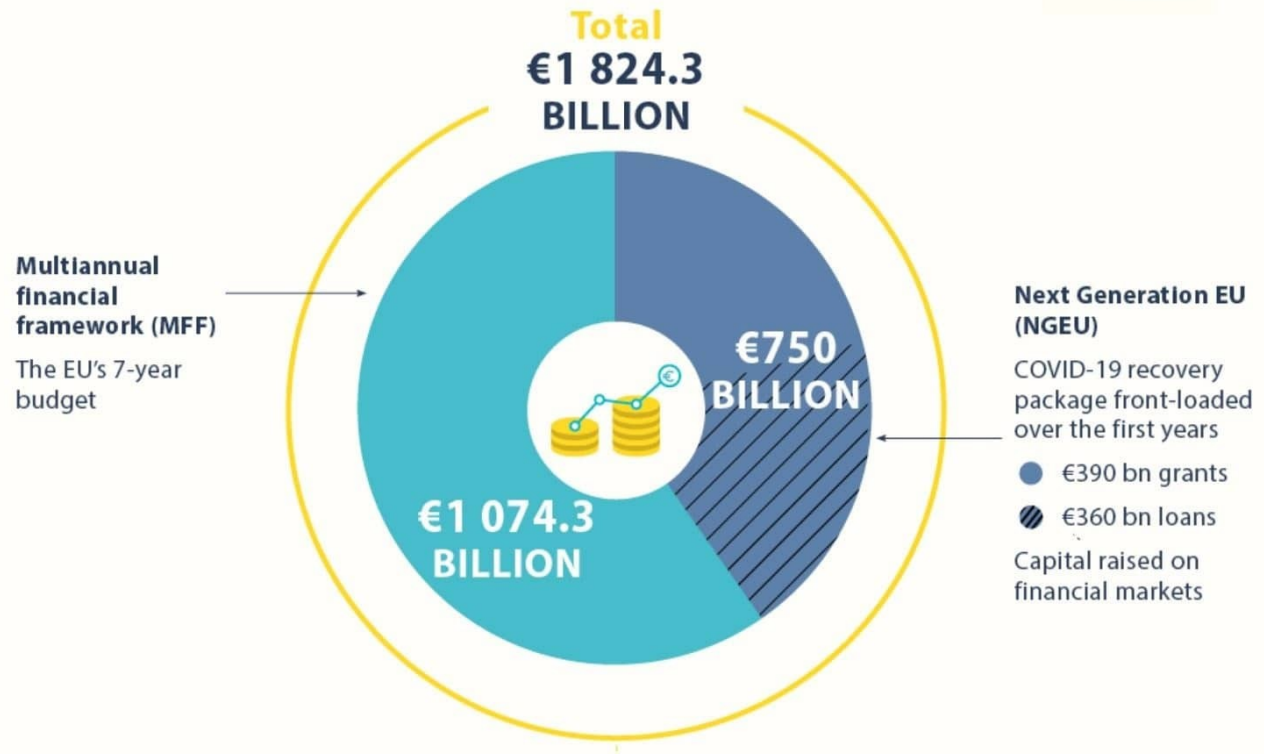
- European Commission Proposal
  - At least -55% by 2030
  - Emission reductions and removals
- To be agreed by Heads of State & Government (unanimity)
- Will inform EU NDC (Nationally Determined Contribution to UNFCCC – by end 2020)
- Will be integrated into Climate Law
- Will be basis for revision Climate and Energy Legislation, new proposals by June 2021



# EU Budget and Recovery Package

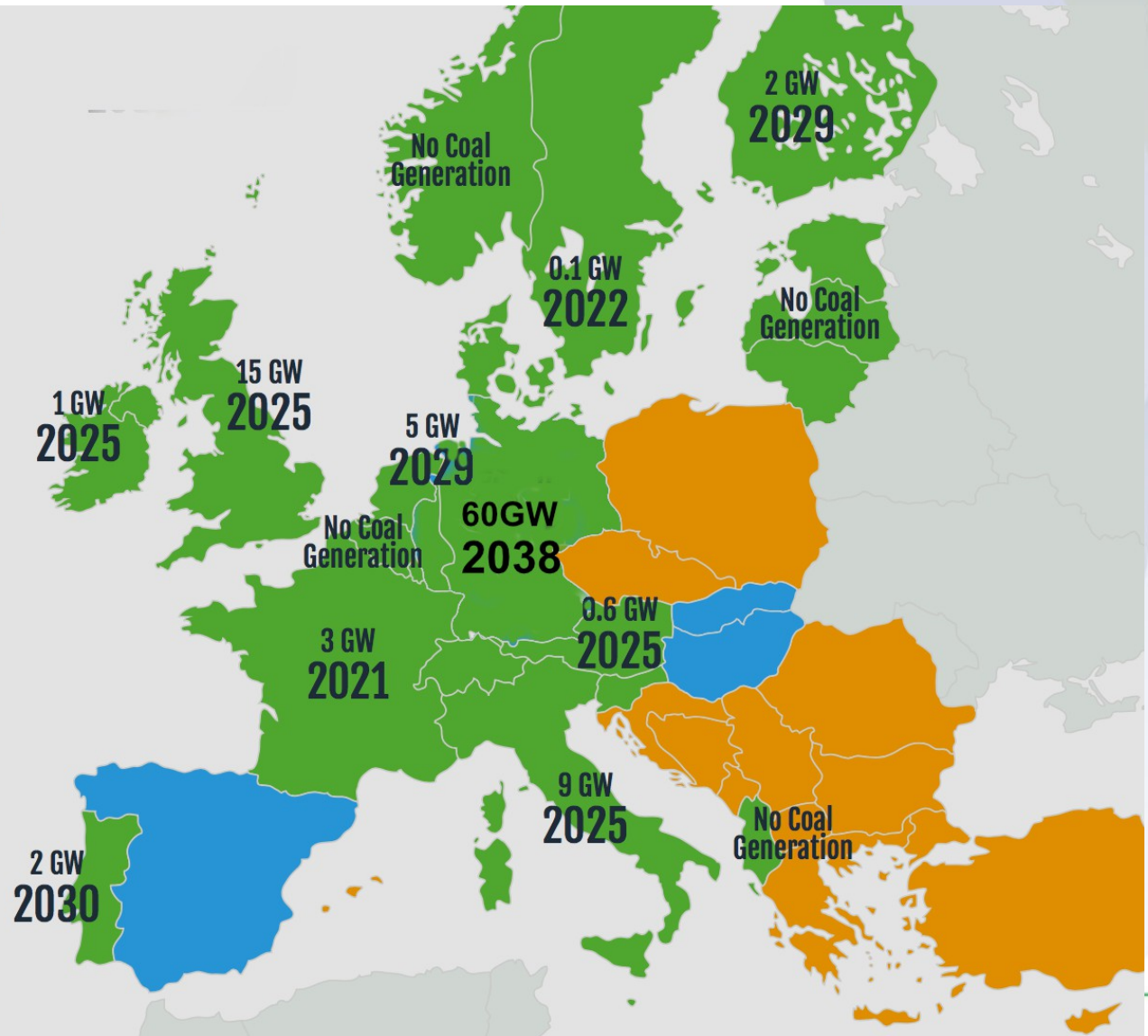
- 30% climate spending (600 billion)
- do no harm principle

## Overall budget 2021-2027



# National Coal Phase Out Plans

- Green**  
No coal, or commitment to phase-out coal
  - Blue**  
Phase-out being actively discussed
  - Orange**  
Phase-out yet to be decided
- GW** is the gigawatts coal capacity currently operational



# JUST TRANSITION MECHANISM

(up to €100 billion)

## Just Transition Fund

(up to €30-50 bn)

- Just Transition Fund of €7.5 bn
- Transfers: for each €1 from JTF €1.5-3 from ERDF/ESF+
- National co-financing

Provides primarily grants

## just transition scheme under InvestEU

(up to €45 bn)

investments  
to be generated by €1.8 bn  
provision from EU budget

Crowds in private investment

## EIB loan facility

(up to €25-30 bn)

investments  
to be generated by  
€1.5 bn from EU budget  
and €10 bn EIB lending

Leverages public financing

# Climate Change Impacts

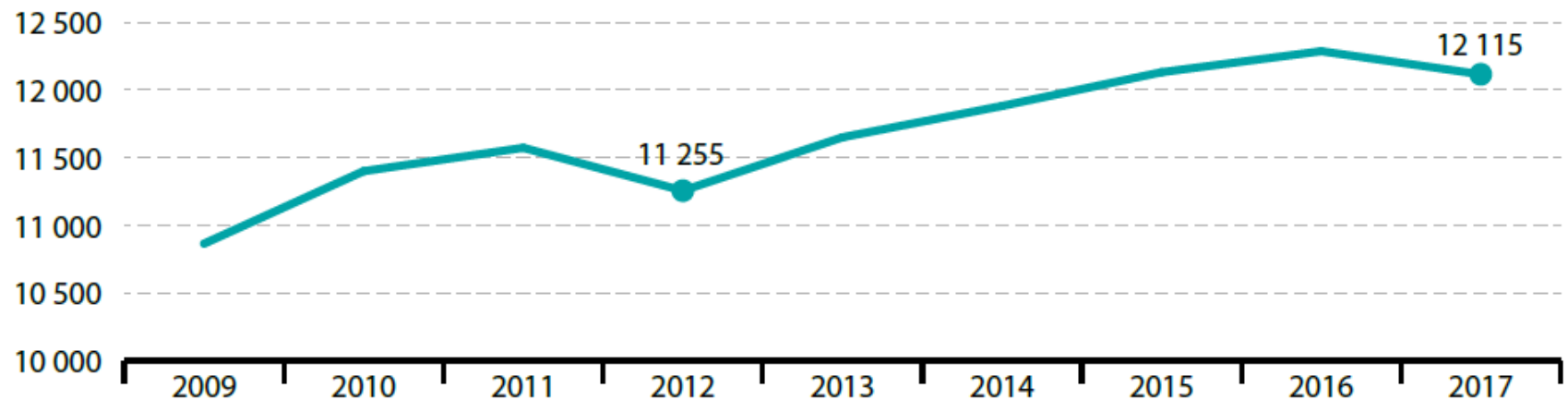
## Climate-related economic losses

This indicator includes the overall monetary losses from weather- and climate-related events. It is based on data from the NatCatSERVICE managed by Munich Reinsurance Company <sup>(61)</sup>. The NatCatSERVICE is a global database of natural catastrophe data around the world, collected since 1974.

**X** LONG TERM  
Insufficient data  
to calculate trend

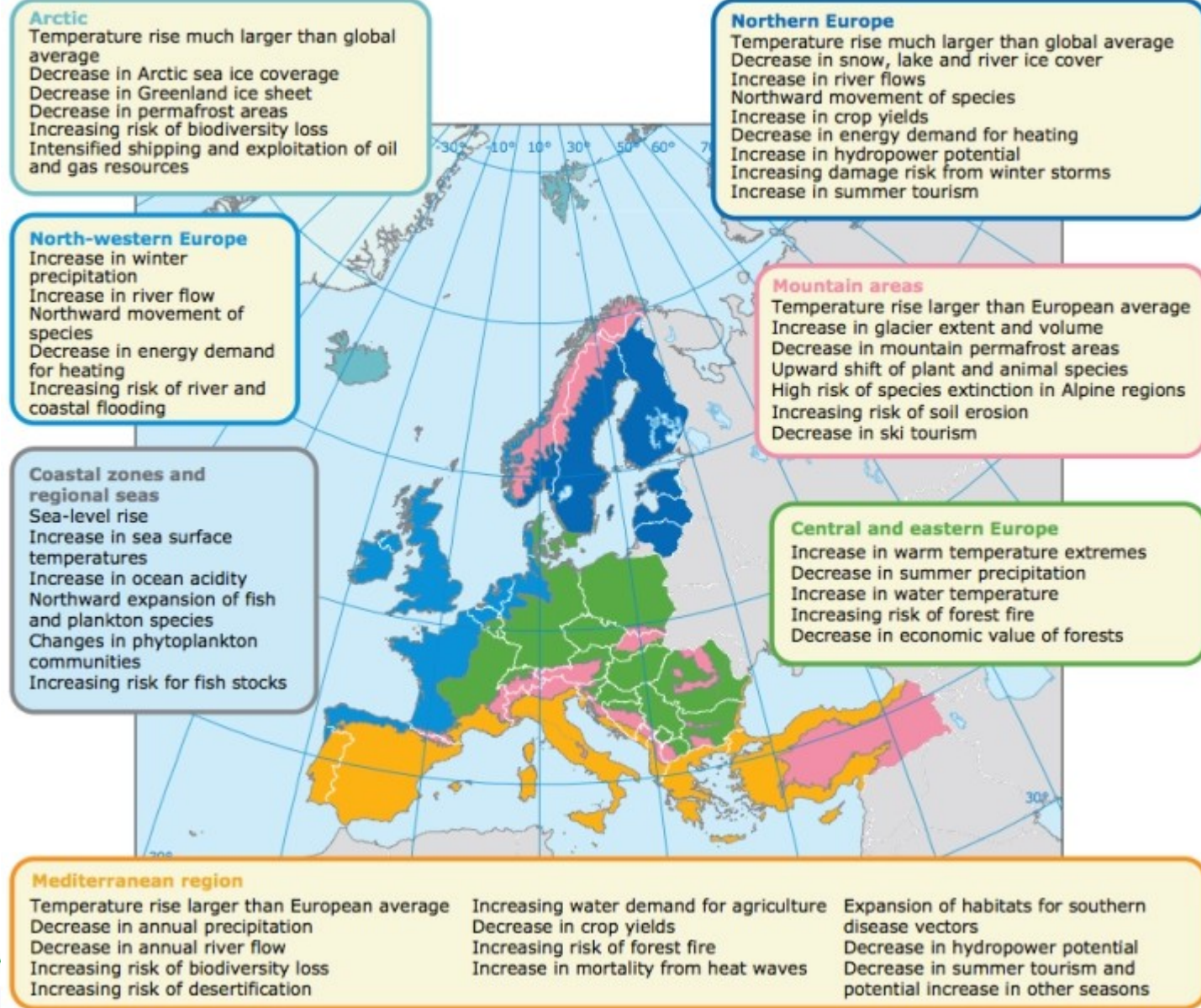
**↓** SHORT TERM  
2012-2017

**Figure 13.7:** Climate-related economic losses (30 year moving average), EU-28, 2009–2017  
(EUR billion, current prices)





## Map TS.1 Key observed and projected climate change and impacts for the main regions in Europe





# Civil Society



EU Heads of State and Government

President of the European Commission,

President of the European Council

President of the European Parliament

College of Commissioners

# Statement from the Coalition for Higher Ambition on the EU 2030 Climate Target

We are writing to you on behalf of an alliance of European cities, local and regional authorities, business associations, investor groups and civil society organisations, in support of the European Commission's proposal to substantially increase the EU's 2030 Target.

Europe is facing unprecedented challenges. The impact of the global COVID-19 pandemic requires swift, coordinated and foresighted action. At the same time, our response to the global health and economic crisis will also impact how we tackle a crisis of even bigger magnitude: the global climate and environmental emergency.

This year will be a critical year to ensure that the world can collectively achieve the goal of limiting global temperature rise to 1.5°Celsius above pre-industrial levels, as agreed under the Paris Agreement.

For years, science has been clear and alarming: current international commitments are vastly insufficient to achieve the temperature goal of the Paris Agreement and might only limit temperature rise to 3°C or more by the end of the century. This poses an existential threat to our global ecosystem and the livelihoods of billions of mostly poor and vulnerable people, with expected welfare losses in the EU of at least 175 billion EUR per year<sup>1</sup>. Already today, impacts of climate change are visible, disruptive and distressing, as underlined by the recent European State of the Climate<sup>2</sup>, with severe detrimental effects on people's health and livelihoods.







**CAN**

CLIMATE ACTION NETWORK

Europe