European Climate Law

2020/0036(COD) - 04/03/2020 - Legislative proposal

PURPOSE: to establish the framework to enable the EU to achieve climate neutrality (European Climate Law) and to set a pathway for the EU to follow in all its actions.

PROPOSED ACT: Regulation of the European Parliament and of the Council.

ROLE OF THE EUROPEAN PARLIAMENT: the European Parliament decides in accordance with the ordinary legislative procedure on an equal footing with the Council.

BACKGROUND: this proposal is a continuation of the 'European Green Deal' which reaffirms the Commission's ambition to make Europe the first climate-neutral continent by 2050. In its Communication of 28 November 2018 'A clean planet for all', the Commission already set out its strategic long-term vision of a Union with zero net greenhouse gas emissions by 2050 through a socially fair and cost efficient transition.

The European Parliament endorsed the EU's long-term objective of climate neutrality. It called for the necessary transition to a climate-neutral society by 2050 at the latest, expressing the wish that this transition should become a true European success story and declared the climate and environmental urgency in its <u>resolution</u> of 28 November 2019.

The European Council has set building a climate-neutral, green, fair and social Europe as one of the main four priorities in its Strategic Agenda for 2019-2024. It also endorsed the objective of achieving a climate-neutral EU by 2050, in line with the objectives of the Paris Agreement, while recognising the need to put in place an enabling framework and that the transition will require significant public and private investments.

The EU has put in place a comprehensive framework of policies to reduce greenhouse gas emissions. It has already started to modernise and transform the economy with the aim of climate neutrality. Between 1990 and 2018, it reduced greenhouse gas emissions by 23%, while the economy grew by 61%.

Despite efforts to reduce greenhouse gas emissions, the Commission considers it imperative to take further action, involving all sectors, as current policies are expected to only reduce greenhouse gas emissions by 60% by 2050.

CONTENT: the proposed Regulation aims to complement the existing policy framework by setting the long-term direction of travel and enshrining the 2050 climate-neutrality objective in EU law, enhancing adaptation efforts, establishing a process to set out and review a trajectory until 2050, regular assessment and a process in case of insufficient progress or inconsistencies.

Its aim is to:

- provide a direction by setting a pathway to climate neutrality, and enhance certainty and confidence on the EU's commitment for businesses, workers, investors and consumers, as well as transparency and accountability, thus sustaining prosperity and job creation;
- contribute to the implementation of the Paris Agreement on climate change, including its long-term goal to keep the global temperature increase to well below 2°C above pre-industrial levels and to pursue efforts to keep it to below 1.5°C as well as to the implementation of the Sustainable Development Goals.

Climate neutrality target for 2050

The proposal sets out the EU's climate neutrality objective for 2050, which covers all sectors and all greenhouse gases (not just CO2) and applies to the whole Union. It also obliges the European Parliament, the Council, the Commission and the Member States to take, at their respective levels, the necessary measures to achieve this objective.

The proposal also sets out the way forward to achieve the 2050 target:

- by September 2020, the Commission shall present a plan with an impact assessment to increase the EU's 2030 greenhouse gas emission reduction target to at least 50% and move towards 55% below 1990 levels in a responsible manner. If necessary, it shall propose amending EU climate law accordingly;
- by 30 June 2021 at the latest, the Commission shall assess and propose to revise, if appropriate, all relevant policy instruments in order to achieve the additional greenhouse gas emission reductions by 2030.

Trajectory towards climate neutrality

For the period 2030 to 2050, the Commission shall be empowered to adopt delegated acts to supplement this Regulation by setting out a trajectory at Union level to achieve over time the 2050 objective. The Commission shall review the EU trajectory every 5 years.

Under the Paris Agreement, the Parties periodically take stock of the implementation of the Paris Agreement and assess the collective progress made in achieving its purpose and long-term goals (the so-called 'global stocktaking' exercise).

At the latest within six months of each global stocktake, the Commission shall review the trajectory.

Adaptation to climate change

The proposal obliges the relevant EU institutions and Member States to ensure that steady progress is made in improving adaptive capacity, strengthen resilience and reducing vulnerability to climate change. To this end, Member States shall adopt comprehensive national adaptation strategies and plans.

Regular assessment

By 30 September 2023 at the latest, and every five years thereafter, the Commission shall assess the progress made, in line with the deadlines set out in the Paris Agreement.

If the assessment shows that EU measures are inconsistent or inadequate in relation to the objective pursued, or that progress is insufficient, the Commission shall take appropriate action. The Commission shall also regularly assess relevant national measures and issue recommendations where it finds inconsistencies or that measures are inadequate.

Public participation

The Commission shall engage in dialogue with all parts of society to empower them to take action for a climate-neutral society. Each Member State shall establish a multilevel climate and energy dialogue pursuant to national rules, in which all relevant stakeholders and the general public are able actively to engage and discuss the achievement of the Union's climate-neutrality objective.