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European Union: Five years to deliver the Green Deal

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After a European green ‘wave’ in May’s Parliamentary elections pushed environment at the top of the political agenda, the new Commission’s President-elect Ursula von der Leyen presented a European Green Deal as the core of the next Commission’s action. The team of Commissioners assembled by von der Leyen reflects these priorities, and Frans Timmermans is set to become the Commission’s executive vice-president in charge of overseeing the Green Deal. As the European Parliament just finished auditioning the candidates to the Commission to confirm their nomination, we take stock of what is known of this programme, the institutional set-up aimed to deliver it and some early reflections on this agenda.

The [political guidelines for the new Commission \(2019-2024\)](#), proposed by Ursula von der Leyen highlights (six)¹ key political fields. Among them, the first one is to build a European Green Deal for a climate-neutral² EU in her first 100 days in office that is further elaborated in the [mission letter](#) to Frans Timmermans.

At its heart, the Green Deal is mainly about turning the previous Commission's vision of a 'climate neutral EU' by 2050,³ i.e. reaching neutrality between sinks and emissions of all greenhouse gases while leaving no one behind, into reality. A first component of the Green Deal is thus to propose the first European 'Climate Law' to enshrine the 2050 climate neutrality target into law. Securing a climate neutrality objective by 2050 would lay the foundation to reopen the currently fraught discussion regarding enhancing EU's commitments to 2030 under the Paris Agreement (read [COP21 Ripples Project's Brief](#)) and regain its leadership on international climate diplomacy. Von der Leyen commits to increasing the headline target from 40% to 'at least 50%' and further down 'towards 55% in a responsible way'. These climate ambitions for 2050 and 2030 are both necessary to align the EU with the global objectives of the Paris Agreement and would send a strong signal for action to all parts of EU's societies.

Some new policies and measures are also included in the proposed Green Deal. It includes the proposal to introduce a Carbon Border Tax to avoid international leakage and revising the Energy Taxation Directive. A new Just Transition Fund would be set up to complement the existing Cohesion Funds and leave no one behind. Crosscutting along these priorities, von der Leyen aims to propose a Sustainable Europe Investment Plan to support €1 trillion of investments to 2030, to double the European Investment Bank's share of climate investment to reach 50% by 2025. She also suggests to create a European Climate Pact, to spur voluntary climate commitments in a coordinated manner from regions, local communities, civil society, industry and schools.

All these proposals respond to identified deadlocks in the transition to a carbon neutral economy and will be refined in the coming months, as the commission will take on its new role. Doing so, crucial questions will need to find answers. What will be the environmental criterion attached to the disbursement of the Sustainable Europe Investment Plan? What industrial sectors would be covered by the carbon border tax and should it be combined with new policy instruments to foster investments in clean industry? Should a minimum price be included in the ETS or the electricity sector? What will be the size of the Just Transition Fund and what sectors and actions will it cover? The implementation details of these measures will be of utmost importance to live up to the promise of putting the EU on the right track to deep decarbonisation. Defining policy packages able to combine climate ambition and the ability to change all sectors and citizens behaviors, to not disadvantage Europeans against foreign competitors and to not leave certain communities behind—those being priorities underpinning the Green Deal—will be central.

Institutionally, Dutchman and social democrat Frans Timmermans is tasked with leading the European Green Deal and directly oversees the DG CLIMA. In practice, he will coordinate the work of five other commissioners: energy, transport, agriculture, environment and oceans and (jointly with another VP) health. This reflects his other priorities to 2024: working towards a zero-pollution ambition, leading work on a Biodiversity Strategy for 2030 and on a 'Farm to Fork' strategy for sustainable food. However, even though the width of Timmermans' portfolio is designed to give him the tools to actually deliver a Green Deal, institutional governance questions remain. No less than nine commissioners are due to report directly to von der Leyen, including those responsible for budget, economic and financial policies (such as the sustainable finance regulation) which will be key to delivering the Green Deal. The same is true for commissioners in charge of delivering the Just Transition Fund, rewrite the Energy Taxation Directive, or implement a carbon border tax: these are all assigned to commissioners reporting to Latvian conservative Valdis Dombrovskis in charge of delivering 'an economy that works for people' (economic and financial affairs, trade, employment, regional policy).

The Green Deal could be an opportunity to put the EU in marching order towards climate neutrality, but that will require unanimous agreement and active support from all Member States. While the latest Environment Ministers council (October 4), merely committing to 'update' the EU NDC, sent weak signals for ambition, the upcoming European Council (October 17-18) gives one last opportunity for EU heads of state to agree on a climate neutrality by 2050 target ahead of COP25. Then will start the complex but necessary effort to turn these targets into the right EU policies and actions.

1 Environment and Climate Change; Economic, Fiscal, Trade policies; Digitalisation; Rule of Law, Borders and Migration; Foreign affairs; Democratisation of European governance

2 Climate neutrality, particularly in EU context, refers to reaching neutrality for all greenhouse gases, unlike carbon neutrality, which solely focuses on CO2.

3 A Clean Planet for all - A European strategic long-term vision for a prosperous, modern, competitive and climate neutral economy

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