



NAT/784
European Climate Law

OPINION

European Economic and Social Committee

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)

[COM(2020) 80 final – 2020/0036 (COD)]

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Legal basis	Articles 192(1) and 304 of the Treaty on the Functioning of the European Union
Section responsible	Section for Agriculture, Rural Development and the Environment
Adopted in section	29/06/2020
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Outcome of vote (for/against/abstentions)	210/2/9

1. **Conclusions and recommendations**

- 1.1 Like many key EU institutions and individuals, the EESC underlines that climate action and the economic reconstruction and recovery from the coronavirus crisis can and must go hand in hand. This can be done by restoring the European economy through the promotion of an effective and fully sustainable package of public and private investments. The EESC thus regards the proposal for a European Climate Law as one of the instruments to contribute to this desired and necessary rebuilding of the European economy.
- 1.2 The EESC supports the approach of a transition to climate neutrality at EU level overall instead of in every Member State individually. This approach has the advantage that an optimal distribution of efforts can be accomplished EU-wide, taking into account relevant differences among Member States. The EESC is also convinced that the greatest support for climate policy will be established if the overall aim is to achieve the highest greenhouse gas emissions reduction at the lowest socio-economic costs.
- 1.3 The EESC urges the Commission to take the impact of the coronavirus crisis fully into account by assessing the 2030 emissions target and to opt for a minimum of 55% reduction by 2030 with the corresponding legislative proposals. The EESC points out that the UNEP Emissions Gap Report 2019 tells us that an even more ambitious 2030 emission reduction target is needed globally to achieve the 1.5°C target set in the Paris Agreement.
- 1.4 The EESC recognises that everyone will have to take extra steps to achieve the set goal of climate neutrality in 2050. The recent Eurobarometer (before the coronavirus crisis) found that 92% of EU citizens support the EU's climate neutrality goal. Retaining the support requires the acceleration of climate action hand in hand with the economic recovery and reconstruction.
- 1.5 The EESC calls on the EU to play an initiating and inspiring role at the postponed November 2020 climate summit in Glasgow and subsequent climate summits in order to engage at least all major players worldwide in working energetically on climate neutrality.
- 1.6 The achievement of the target of climate neutrality in the Union by 2050 at European level is only possible if each country makes its contributions on mitigation and adaptation fully and on time. The EESC therefore supports that the Commission may issue recommendations to a Member State if that Member State's measures are inconsistent with the objective of mitigation or inadequate to ensure progress on adaptation, based on clear and transparent assessment criteria.
- 1.7 The EESC proposes that the full assessment document of any draft measure or legislative proposal in connection with the climate neutrality objective will be made publicly accessible as soon as the assessment is finalised.
- 1.8 The Commission proposal covers quite rightly both mitigation and adaptation, "in accordance with Article 7 of the Paris Agreement".

- 1.9 The EESC proposes setting up a European Climate Pact Stakeholder Platform, as set out in our opinion on the Climate Pact, to organise and facilitate active participation of "all parts of society".

2. **Introduction**

- 2.1 The current worldwide coronavirus (COVID-19) crisis makes it clear once again how vulnerable life is on our earth. While it is necessary to fully combat the coronavirus crisis and the consequent economic, social and ecological impacts, it is also necessary to continue to focus on preventing and, where necessary, fighting other developments that threaten the quality of life such as climate change and the loss of biodiversity¹. Or, as the Executive Secretary of the United Nations Framework Convention on Climate Change (UNFCCC) Patricia Espinosa warned when announcing the postponement of the November 2020 climate change summit (COP26) in Glasgow: "COVID-19 is the most pressing threat to humanity today, but we must not forget that climate change is the greatest threat in the long term."
- 2.2 For the EESC this means climate action and the economic recovery and reconstruction from the coronavirus crisis can and must go hand in hand. The recovery and reconstruction measures need to be in line with the climate objective, and climate action needs to be taken in a way that minimises costs and generates economic benefits.
- 2.3 In this spirit, the EESC also notes the following statements by key EU institutions and individuals:

With an overwhelming majority, the European Parliament voted on April 16 to place the European Green Deal at the core of the upcoming EU recovery and reconstruction package "in order to kick-start the economy, improve its resilience and create jobs while at the same time assist in the ecological transition, foster sustainable economic and social development".

On the same day, European Commission President Ursula von der Leyen also said that Europe must double down on investing in the European Green Deal. European Commission Vice-President Frans Timmermans gave the same message in an open letter in seven European newsletters. And President Charles Michel of the European Council also wants to use this opportunity to make the EU greener: "The European Union must become better than before, we must take advantage of this crisis."

- 2.4 This can all be done by restoring the European economy through the promotion of a fully sustainable package of effective public and private investments, covering for example things like reducing energy consumption, sustainable energy, network investments, clean production processes, or recycling – accompanied by the enhancement of sustainable consumption. In addition, enhancing carbon sinks and storage by means of e.g. sustainable forest and soil

¹ Some experts maintain that biodiversity is a natural barrier to virus and disease transmission from wildlife to humans (zoonosis). Therefore, biodiversity loss might lead to more pandemics in the future. This is a topical additional argument.

management is needed to reach climate neutrality. A European Climate Law is one of the instruments to contribute to this desired and necessary rebuilding of the European economy.

- 2.5 The EESC therefore welcomes the proposal for a European Climate Law² presented by the European Commission on 4 March 2020, which establishes a legal framework for achieving the goal of climate neutrality in the Union by 2050. The EESC endorses the desirability and necessity of the objective of climate neutrality by 2050, and if possible earlier, to contribute to achieving the goal of the Paris Agreement, according to which global warming must remain well below 2°C and efforts need to be pursued to keep it to below 1.5°C.
- 2.6 It goes without saying for the EESC that, in order to achieve the objectives of the Paris Agreement, it is imperative that at least all major players worldwide also work energetically on climate neutrality. On the one hand, this requires active climate diplomacy from the EU and, on the other hand, measures – such as carbon pricing – to provide a level playing field for the EU products and services in terms of their greenhouse gas footprint in relation to competitors from outside the EU.
- 2.7 The proposal for the European Climate Law is a cornerstone of the European Green Deal³ that the Commission published on 11 December 2019. The European Green Deal sets out how to make Europe the first climate-neutral continent by 2050, boosting the economy, improving people's health and quality of life, caring for nature, and leaving no one behind.
- 2.8 The EESC has noted with satisfaction that at the political level this goal of net climate neutrality by 2050 has already been endorsed by the European Parliament in its resolution of 14 March 2019 and by the European Council in its conclusions of 12 December 2019. And on 5 March 2020 the Environment Council of the EU submitted, on behalf of the European Union and its Member States, the long-term low greenhouse gas emission development strategy of the European Union and its Member States (with the objective of achieving a climate-neutral EU by 2050) to the UNFCCC⁴.
- 2.9 The EESC recognises that achieving the goal of climate neutrality in 2050 will demand a great deal from governments, municipalities, businesses, trade unions, civil society organisations and citizens. And that means that everyone will have to take extra steps to achieve that set goal in 2050, or as the Commission puts it: "Additional action needs to be taken and every sector will have to contribute as current policies are expected to only reduce greenhouse gas emissions by 60% by 2050, and thus much more remains to be done to reach climate neutrality"⁵.
- 2.10 The EESC emphasises the importance of considering the points of "international developments and efforts" and the "competitiveness of the Union's economy" as mentioned in Article 3.3 of

2 [European Climate Law](#).

3 [European Green Deal](#).

4 [Submission to the UNFCCC](#).

5 [European Climate Law](#), see for example page 2.

the proposal. And the EESC draws special attention to the importance of "the need to ensure a just and socially fair transition" (Article 3(3)(h)). The EESC would like to emphasise that particularly energy poverty needs to be prevented, and recommends that this issue should be part of the assessment of national measures as regulated in Article 6 of the Proposal.

- 2.11 By September 2020, the Commission plans to come up with the review of the Union's 2030 target for climate in light of the climate-neutrality objective and explore options for a new 2030 target of 50 to 55% emission reductions compared to 1990, as well as to provide the corresponding legislative proposals by mid-2021. The EESC expects that the new 2030 emissions target will be based on a broad review and proper impact assessment. The EESC also argues that there are decisive arguments for the aim of a minimum reduction of 55% by 2030, in order for the EU to respond for its part to the massive global need for decreasing emissions. For example, the UN Environment Programme (UNEP) Emissions Gap Report 2019⁶ indicates that an even more ambitious 2030 emission reduction target is needed globally to achieve the 1.5°C target set in the Paris Agreement⁷.
- 2.12 While making impact assessments, it is important to recognise that the coronavirus crisis has unprecedented economic, social and environmental consequences, which for their part have implications on the impact of the measures to be taken for the mitigation of climate change.
- 2.13 The EESC believes that the potential impact of the Corona crisis cannot and should not lead to relaxing the 2030 reduction target.
- 2.14 The EESC calls for this process to be realised in a way that enables the EU to play an initiating and inspiring role at the postponed November 2020 climate summit in Glasgow and subsequent climate summits in order to engage at least all major players worldwide in working energetically on climate neutrality.
- 2.15 Furthermore, the EESC recommends that the Commission start the preparation of an intermediate climate target for 2040, on emissions reductions, to achieve climate neutrality by 2050, or earlier if possible, accompanied by a legislative proposal to the European Parliament and the Council to that effect, including a proposal to set new emission reduction obligations for the period 2031-2040 to be adopted before 2028. Setting a target in due time is necessary to guarantee the highest possible degree of predictability and transparency for society and all economic sectors.
- 2.16 The recent Eurobarometer (before the coronavirus crisis) found 93% of EU citizens see climate change as a serious problem and 92% support the EU's climate neutrality goal⁸. Retaining the support requires the acceleration of climate action hand in hand with the economic reconstruction and recovery.

6 [Emissions Gap Report 2019](#).

7 The UN Environment Programme (UNEP) Emissions Gap Report 2019 indicates that global emissions need to be cut by 7.6% per year, starting now, in order to limit global warming to 1.5°C. Calculated, this means a reduction target of at least 68% by 2030.

8 [Citizen support for climate action](#).

3. **Delegation of power**

- 3.1 The proposed climate law (Article 3) gives the Commission a delegated power to "supplement" the climate law, thus "outlining a path at Union level to achieve the climate neutrality target set in Article 2(1) up to 2050". Moreover, within six months after each global stocktake referred to in Article 14 of the Paris Agreement, the Commission shall review the trajectory.

Instead of adopting delegated acts, the EESC considers it necessary for the Commission to make a legislative proposal to set and adjust the trajectory where it considers this appropriate as a result of the review.

- 3.2 In all circumstances, it is necessary to continue safeguarding the democratic rules of our institutional system. This includes the right of civil society actors and their organisations, such as the EESC, to contribute to the democratic decision-making process. On this point, we would like to refer to what the Commission says in Article 8 of the draft Climate Law: "The Commission shall engage with all parts of society (...)".

4. **Assessment of progress and measures**

- 4.1 According to Article 5, the Commission shall assess the Union progress and measures. It will assess "any draft measure or legislative proposal in light of the climate neutrality objective (...) before adoption, and include this analysis in any impact assessment accompanying these measures or proposals".

This means in practice that the Commission includes the consideration of impact on climate neutrality in the impact assessments that accompany its proposals. The EESC advises the Commission to investigate if this can be achieved under the existing framework for better regulation without changes to legislation.

- 4.2 Article 5 stipulates that the result of that assessment will be made public at the time of adoption. However the Court of Justice (in case C 57/16 P, Client Earth v Commission, decided on September 4 2018) has been very clear that even draft Impact Assessment reports are to be made "directly accessible" in line with Article 12(2) of Regulation 1049/2001. Therefore the EESC proposes to change the wording in that the full assessment document will be made publicly accessible as soon as the assessment is finalised.

- 4.3 The EESC believes that the achievement of the 2050 target of climate neutrality in the Union by 2050 at European level is only possible if each country makes its contributions on mitigation and adaptation fully and on time.

The EESC therefore endorses the following Commission intention: The Commission may issue recommendations to a Member State if that Member State's measures are inconsistent with the objective of mitigation or inadequate to ensure progress on adaptation with respect to the national plans. The EESC supports the Commission in this and recommends that in its recommendations the Commission opt for an effective mix of measures appropriate to the

circumstances. However, the EESC calls for it to be made clear which objectives and criteria the progress in individual Member States is assessed against.

- 4.4 The proposal from the Commission aims to achieve a climate-neutral European Union by 2050. This implies that not every Member State has to achieve climate neutrality individually. The EESC supports this approach – which is in fact a continuation of the current approach of EU climate legislation – because this approach has the advantage that an optimal distribution of efforts can be accomplished EU-wide, taking into account relevant differences among Member States. However, the EESC does consider it necessary that each Member State will be obliged to indicate in its national energy and climate action plan to be submitted by 1 January 2029 (according to Article 3 of the Governance Regulation 2018/1999) whether and, if so, when it wants to reach climate neutrality and what kind of measures it is going to take to reach an optimal EU level result, including measures that contribute to other Member States' efforts or will be realised in one or more other Member States, thereby ensuring that such arrangements are made in time and by means of enforceable agreements.
- 4.5 The EESC is also convinced that the greatest support for climate policy will be realised if the overall aim is to achieve the highest greenhouse gas emissions reduction at the lowest socio-economic costs. Accordingly, offsets / compensations between Member States should be possible if governed by a solid regulatory framework supplemented with enforcement. It is also important to recognise that in the current system ETS-sectors are regulated through an EU-wide scheme, while other sectors fall under the effort-sharing of national emissions caps. Over time, more sectors will obviously fall into the framework of emissions trading.
- 4.6 In addition to the ETS scheme, there is a lot of EU level legislation such as technical requirements that control the emissions of different sectors and are thus part of the implementation of the overall target. EU level regulation is particularly relevant in the fields related to the proper functioning of the Single Market.
- 4.7 The EESC also proposes proper monitoring of the possible implications of the EU measures in the global context. This includes for example effects on foreign investment and trade and the consequent impacts on the development of emissions both directly and indirectly.
- 4.8 The Commission proposal states: "... action at EU level should aim to provide for cost effective delivery of long-term climate objectives, while ensuring fairness and environmental integrity". The EESC recognises that there are still many questions, both procedural (what is the best decision-making approach?) and substantive (what are fair and economically sound distribution criteria that guarantee a high level of environmental protection?), on how to achieve this. So the process element (the ongoing discussion horizontally between EU institutions, including the EESC and the CoR, and vertically with Member States) is important. What is even more fundamental is the question of what to do if Member States want to achieve climate neutrality in their own country sooner than 2050 and this will not be the most cost- and / or climate-effective at EU level. The EESC calls on the European Commission and the Council to provide clarification and guidance on this matter as soon as possible.

5. **Adaptation**

- 5.1 The Commission proposal covers quite rightly both mitigation and adaptation, "in accordance with Article 7 of the Paris Agreement". Particularly with regard to adaptation, the Commission proposes to extend EU action towards national adaptation action.

Generally, adaptation is perceived to be more connected to local governmental action than mitigation is. The EESC therefore believes that, in accordance with the principle of subsidiarity, the Commission should clarify the extent to which powers should be conferred at EU level and the obligations to be imposed on Member States.

- 5.2 Furthermore, it remains to examine what the obligation entails for the "relevant EU institutions". The proposal specifies that Member States must adopt national adaptation strategies and plans. No specific action – such as a plan – is required for EU institutions.
- 5.3 The Commission proposes to get the power to assess not only the mitigation actions, but also the adaptation actions from Member States (Article 6, paragraph 1(b)). If the Commission finds that a Member State's measures are "inadequate to ensure progress on adaptation as referred to in Article 4, it may issue recommendations to that Member State". This is a very open provision. The EESC considers it desirable for the Commission to establish criteria for such an assessment.

6. **Public participation**

- 6.1 The EESC takes it for granted and therefore welcomes Article 8 (Public participation) of the Climate Act. Active participation of "all parts of society" is a necessary condition for climate policy to be successful within the EU, considering that it is the civil society actors (enterprises, workers, consumers and citizens and their organisations) who realise the climate objectives in practice.

Therefore the EESC calls on the Commission and the Member States to actively invite all these civil society actors to participate and put on the table their proposals for concrete climate policy and climate action.

- 6.2 The EESC therefore welcomes the fact that the European Commission recently opened a public consultation to gather views on ways to engage with the public on climate action⁹. This will serve as background for the Commission to launch a "Climate Pact" in the 3rd quarter of 2020. With the European Climate Pact, the European Commission intends to bring together stakeholders, including regions, local authorities, local communities, civil society, schools, businesses and individuals.

⁹ [European Climate Pact consultation](#).

6.3 In view of the positive experiences with the European Circular Economy Stakeholder Platform set up by the European Commission and the European Economic and Social Committee and in line with the proposals in our opinion on the Climate Pact (NAT/785)¹⁰, the EESC proposes to set up a European Climate Pact Stakeholder Platform based on the principles of inclusiveness, transparency and genuine participation and ownership by local climate actors.

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¹⁰ <https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/12219-European-Climate-Pact><https://www.eesc.europa.eu/en/our-work/opinions-information-reports/opinions/european-climate-pact-exploratory-opinion>