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# The European Green Deal

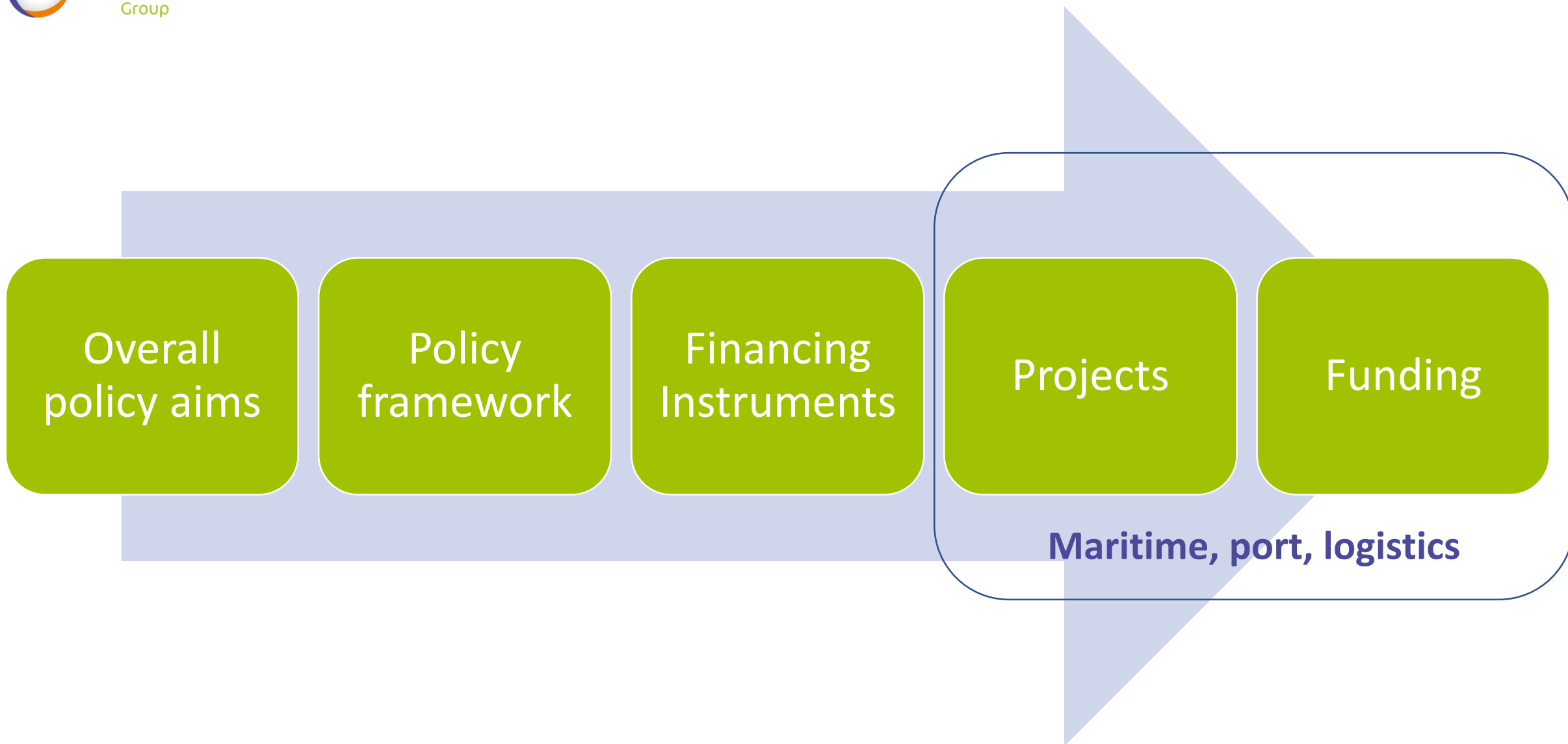
*The opportunities for the  
transport and logistics sectors*

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# Introduction on the Green Deal



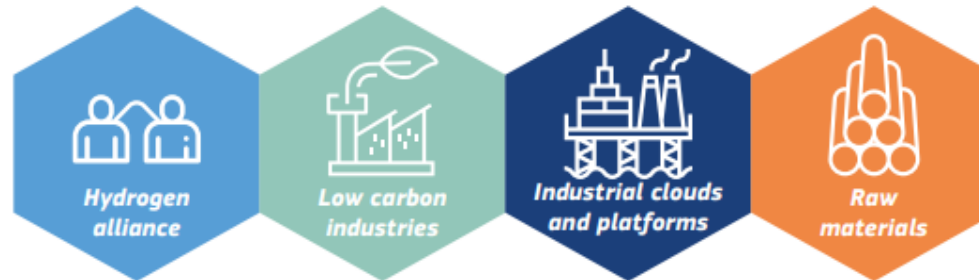
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## Introduction and overall policy aims

The most ambitious package of measures that should enable European citizens and businesses to benefit from sustainable **green transition**.



- **ENERGY** - Decarbonize the energy sector as the production and use of energy account for more than 75% of the EU's greenhouse gas emissions
- **BUILDINGS** - Renovate buildings, to help people cut their energy bills and energy use, as 40% of our energy consumption is by buildings
- **INDUSTRY** - Support industry to innovate and to become global leaders in the green economy, as European industry only uses 12% recycled materials
- **MOBILITY** - Roll out cleaner, cheaper and healthier forms of private and public transport as transport represents 25% of our emissions; specifically sustainable alternative fuels will be promoted in shipping





## MAINTAINED INITIATIVES

- **Renewed Sustainable Finance Strategy** (non-legislative, Q3 2020): This is considered an “important part” of the Green Deal and a “key contributor” to the recovery from the COVID-19 crisis and will therefore be maintained.
- **2030 Climate Target Plan** (non-legislative, including impact assessment, Q3 2020): This is considered a “a pivotal element of the Commission’s climate policy”. However, due to the postponement of the UN climate conference in Glasgow (COP26), “additional time could therefore be given to a complex analytical exercise underpinning the elaboration of new targets,” .
- **Renovation wave** (non-legislative, Q3 2020); “The renovation wave could be a key element of any post-COVID recovery plan because of its benefits for stimulating economic activity,”

## INITIATIVES WITH POSSIBLE DELAY

- **The European Climate Pact** (non-legislative, Q3 2020): “The aim was to establish the Climate pact platform in the autumn before the planned Conference of the Parties in Glasgow which has however been postponed.”
- **Review of the Non-Financial Reporting Directive** (legislative, including impact assessment, Article 114 TFEU, Q4 2020): “Even though there is no urgency with this file, nothing prevents to keep the adoption in December, as initially planned,”
- **‘Farm to Fork’ Strategy** (non-legislative, Q1 2020): Although this is considered “a very important initiative”, it should “also reflect the lessons of the COVID-19 pandemic in relation to food security. This might make a postponement necessary,”
- **Strategy for smart sector integration** (non-legislative, Q2 2020); Smart sector integration is considered as “an important blueprint” for the energy transition. “But a postponement would not be detrimental and could be packaged with other initiatives such as the state of the Energy Union report in October,” .
- **Offshore renewable energy** (non-legislative, Q4 2020): Currently envisaged for October, the strategy for offshore renewable energy is timed to coincide with announcements by EU member states that are members of the North Sea Alliance. “It is also a priority for the German Presidency and could also be a significant element of a post-COVID recovery plan,”.

## INITIATIVES WITH POSSIBLE DELAY

- **EU Biodiversity Strategy for 2030** (non-legislative, Q1 2020); “Adoption of the biodiversity strategy is envisaged for 29 April,” the document says. But the UN conference of the parties has been postponed and the UN ministerial will discuss biodiversity in September. “So while the absolute urgency may have receded current timing is desirable or shortly thereafter. It is closely related to the Farm to Fork initiative,”.
- **8th Environmental Action Programme** (legislative, Article 192(3) TFEU, Q2 2020); “It is still very unclear what the 8th Environmental Action Plan (EAP) will contain and the added value it can provide,” the document states. “While the 7th EAP expires at the end of 2020 there is no reason why this initiative cannot wait until the second half of 2020,”
- **Chemicals strategy for sustainability** (non-legislative, Q3 2020): This is considered a “a key element of the Commission’s ambition to tackle all sources of pollution,” the document states. “Work is on track but further delay would not be detrimental,”.
- **Strategy for sustainable and smart mobility** (non-legislative, Q4 2020): “Maintaining the date of adoption is appropriate but the content and ambition is linked to the ‘Communication on 2030 climate targets (n°1) and the timing should be linked to this. Timing is sufficiently late to reflect post-COVID lessons and recovery.”

## INITIATIVES DELAYED TO 2021

- **New EU Strategy on Adaptation to Climate Change** (non-legislative, Q4 2020) and New EU Forest Strategy (non-legislative, Q4 2020): “Both the forest strategy and the adaptation strategy are important initiatives but not time critical in relation to climate policy overall,” However, “The strategy on Adaptation to Climate Change was originally envisaged for 2021 in any event and delay will now allow an impact assessment to be prepared. Postponement would also allow better articulation with the new EU climate targets for 2030 and the delayed international discussions on biodiversity.”
- **Empowering the consumer for the green transition** (legislative, incl. impact assessment, Article 114 TFEU, Q4 2020): “This initiative is an important element of the Circular Economy package whose technical work is on track. However, this initiative on empowering consumers could be delayed to 2021 without undue detriment and might be packaged with circular economy initiatives on sustainable products,”.
- **ReFuelEU Aviation – Sustainable Aviation Fuels** (legislative, incl. impact assessment, Article 100(2) TFEU and/or Article 192(1) TFEU, Q4 2020) and FuelEU Maritime – Green European Maritime Space (legislative, incl. impact assessment, Article 100(2) TFEU and/or Article 192(1) TFEU, Q4 2020): “The two fuel initiatives are important but already coming late in 2020 and can be delayed without undue problems to 2021 when many other important climate-related proposals will be tabled,”

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## The Green Deal Investment Plan

The European Green Deal Investment Plan (EGDIP), also referred to as Sustainable Europe Investment Plan (SEIP), is the investment pillar of the Green Deal.

To achieve the goals set by the European Green Deal, the Plan will mobilise at least **€1 trillion** in sustainable investments over the next decade.

Running for 7 years, it will mobilise **25% of the EU budget**

The European Green Deal Investment Plan has three main objectives:

- Increasing **funding for the transition**, and mobilise at least €1 trillion to support sustainable investments over the next decade through the EU budget and associated instruments, in particular InvestEU;
- Creating an **enabling framework for private investors and the public sector** to facilitate sustainable investments;
- Providing **support to public administrations and project promoters** in identifying, structuring and executing sustainable projects.



# The Investment Plan within the European Green Deal



While the European Green Deal Investment Plan looks at how to support the Green Deal as a whole, the Just Transition Mechanism is specifically targeted at the regions which will be most affected by the transition.

The Just Transition Mechanism is structured around **three pillars** of financing:

1. Just Transition Fund
2. Dedicated just transition scheme under InvestEU
3. Public sector loan facility with the European Investment Bank backed by the EU budget



The new Fund will be equipped with its own envelope within the EU budget, which the Commission proposes to amount to **€7.5 billion** on top of its long-term budget proposal.

The fund is covered by a new legislative proposal presented alongside the European Green Deal Investment Plan.

The fund will provide primarily **grants to regions**.

the Just Transition Fund ('JTF') will be implemented under **cohesion policy**.

The aim of the JTF is to mitigate the adverse effects of the climate transition by supporting the most affected territories and workers concerned.

The JTF should provide a key contribution to mainstream climate actions. Resources from the JTF own envelope are additional and come on top of the investments needed to achieve the **overall target of 25% of the Union budget expenditure contributing to climate objectives.**



InvestEU will dedicate at least **30% of mobilised investments to climate- and environment-related projects.**

This could include projects for decarbonisation, economic diversification of the regions, **energy, transport and social infrastructure**

InvestEU will also play an important role in promoting sustainability practices among public and private financiers and project promoters, by setting standards for tracking **climate-related investments** and assessing the environmental and social impact of projects.

Finally, the InvestEU programme will provide technical assistance and advisory support through the **InvestEU Advisory Hub.**

It will help public and private project promoters identify, develop and implement green investment projects.

At the same time, the **InvestEU Portal** will continue to offer a free, online, user-friendly tool, providing EU businesses and project promoters in search of financing with the visibility and networking with investors worldwide.

The instrument will mobilise between **€25 and €30 billion of investments** and it will be used for concessional loans to the public sector, for example for investments in energy and transport infrastructure, district heating networks, and renovation or insulation of buildings.

The loan facility will rely on a contribution of **€1.5 billion from the EU budget** and an EIB lending of **€10 billion at its own risk**.



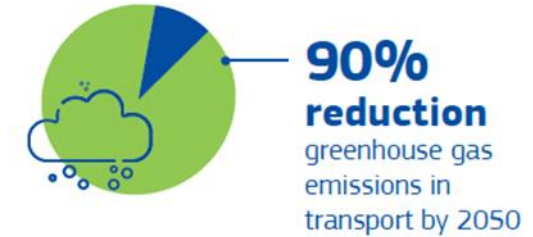
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## The Green Deal in the grant related programmes – The transport challenges

# The European Strategy for low-emission mobility

The strategy integrates a broader set of measures to support Europe's transition to a low-carbon economy and supports jobs, growth, investment and innovation.

- **Increasing the efficiency of the transport system** by making the most of digital technologies, smart pricing and further encouraging the shift to lower emission transport modes,
- **Speeding up the deployment of low-emission alternative energy for transport**, such as advanced biofuels, electricity, hydrogen and renewable synthetic fuels and removing obstacles to the electrification of transport
- **Moving towards zero-emission vehicles**. While further improvements to the internal combustion engine will be needed, Europe needs to accelerate the transition towards low- and zero-emission vehicles.



## The goals for transport and logistics

- Accelerating the shift to **sustainable and smart mobility**
- Increasing globally competitive and **world-leading industry**
- An industry that paves the way to **climate-neutrality**
- An industry shaping Europe's **digital future** enhance its industrial capacity in **critical digital infrastructure**



- **Multimodality**: sustainable combination of all transport modes, taking the strengths and limitations inherent to each mode of transport into account. Combining rail, road, short sea shipping, inland waterways and air transport in a smart and efficient way will enable the further reduction of negative externalities
- **Eliminating administrative and regulatory burdens** hampering an efficient use of transport modes or negatively influencing the choice for a certain mode of transport will also be important to achieve a reduction of adverse impacts
- **Research and innovation on transport**, including batteries, clean hydrogen, low-carbon steel making, circular bio-based sectors and the built environment
- **Smart, environmentally-friendly and integrated** urban transport
- **Replacing fossil fuels with alternative fuels, alternative propulsion systems**, improving the energy efficiency of the transport means (vehicles, vessels) and boosting the energy efficiency of the entire transport system.

- At least **35 % of the budget of Horizon Europe** (expected to reach EUR 35 billion) will support climate objectives.
- Furthermore, in this last year of Horizon 2020, the Commission is preparing an additional call of around EUR 1 billion allocated to Green Deal priorities, on top of the existing allocation of EUR 1.35 billion in 2020. – **Green shipping, ports and logistics**
- At least **60% of the Connecting Europe Facility budget** (supporting transport, energy and digital infrastructures) will be targeted to support climate objectives – CEF call in 2020 (TBC)
  - **Motorways of the Sea**
  - **Innovation**
  - **Ports**
  - **Intermodality**

# *Thank you*

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