

## The European Green Deal

### Background note for the Union for the Mediterranean on-line Water Expert Group<sup>1</sup>

June 9-10, 2020

### What is the Green Deal?

Climate change and environmental degradation are an existential threat to Europe and the world. To overcome these challenges, Europe needs a new growth strategy that transforms the Union into a modern, resource-efficient and competitive economy. The European Green Deal<sup>2</sup> is that growth strategy, the European Commission's political roadmap for making the EU economy sustainable. It sets out to make Europe the first climate-neutral continent by 2050. It maps a new, sustainable and inclusive growth strategy to boost the economy, improve people's health and quality of life, care for nature, and leave no one behind.

The Green Deal is articulated around five axis:

- Ambitious **objectives** for the whole continent including climate neutrality, zero pollution, minimized material footprint and biodiversity protection.
- **Policy and normative reforms**, with a proposed timeline for approval of new regulations that will guide the transition.
- **Investment** plan to mobilize EU funding and leverage private resources to finance the transition.
- **Social dimension** that aims to ensure a just transition.
- **Diplomacy or global action** in order to successfully tackle threats that are also global.

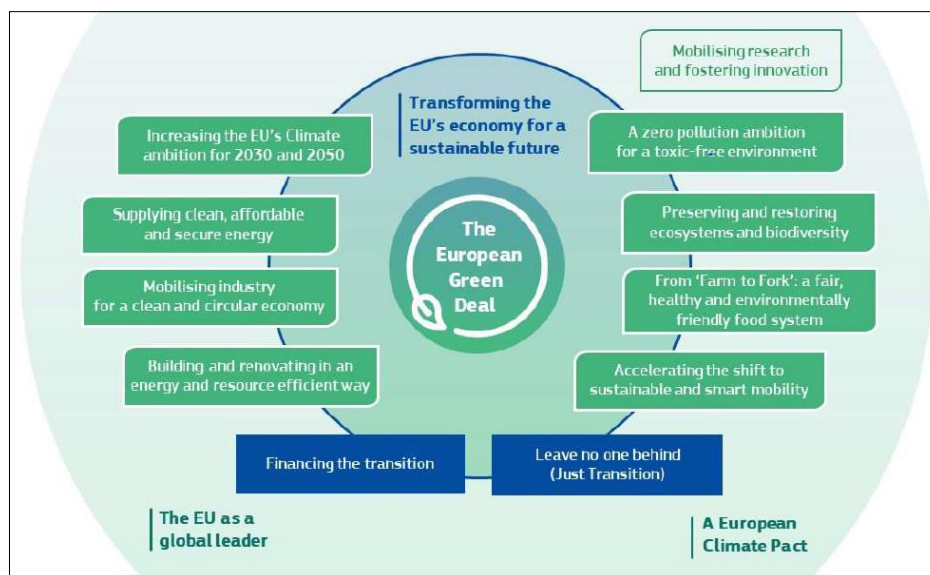


Figure 1. The European Green Deal elements (COM(2019) 640 final)

<sup>1</sup> The information and views set out in this background note do not necessarily reflect the official opinion of the European Union. Neither the European Union institutions and bodies nor any person acting on their behalf may be held responsible for the use which may be made of the information contained therein.

<sup>2</sup> For updated information on the European Green Deal see: [https://ec.europa.eu/info/strategy/priorities-2019-2024/european-green-deal\\_en](https://ec.europa.eu/info/strategy/priorities-2019-2024/european-green-deal_en) (English version) and [https://ec.europa.eu/info/strategy/priorities-2019-2024/european-green-deal\\_fr](https://ec.europa.eu/info/strategy/priorities-2019-2024/european-green-deal_fr) (French version).

The necessary transformation will happen by turning climate and environmental challenges into opportunities across all policy areas. Reaching these objectives will require action by all sectors of the economy, including

- investing in environmentally-friendly technologies,
- supporting industry to innovate,
- greening the Common Agricultural Policy and moving towards a more healthy and sustainable food system,
- rolling out cleaner, cheaper and healthier forms of private and public transport,
- decarbonising the energy sector,
- ensuring buildings are more energy efficient,
- working with international partners to improve global environmental standards.

In order for the goals of the Green Deal to be successful the EU cannot act alone. Comparable action and increased efforts by other regions will be critical for addressing the global climate challenge in a meaningful way, and the EU will need to collaborate closely through existing and new alliances. Neighbouring countries merit a special emphasis, making them key partners to successfully handle shared environmental and climate risks.

The Green Deal Communication (COM(2019) 640 final), issued in December 2019, was accompanied by a Roadmap for Action that includes a timeline for issuing the strategies and policy reform proposals for the different action areas illustrated in Figure 1. To date, the following policy proposals have been issued:

- European Green Deal **Investment Plan** ([COM\(2020\) 21 final](#)) as well as a proposal for a Regulation to establish a **Green Transition Fund** ([COM\(2020\) 22 final](#)), key components of the Just Transition Mechanism envisioned to ensure that the transition towards a climate-neutral economy happens in a fair way, leaving no one behind (**January 2020**).
- Proposal for a [European climate law](#) to ensure a climate neutral EU by 2050 and the launching of a [public consultation](#) for the elaboration of a **European Climate Pact** that aims to engage citizens and communities in action for climate and environment (**March 2020**).
- [European Industrial Strategy](#) together with a strategy to promote the **Digital transition**, which allows industry and SMEs to be more proactive, provides workers with new skills, and supports decarbonisation of the economy; and increases competitiveness on the global stage, **leveraging** the impact of its **single market to set global standards** (**March 2020**).
- A **Circular Economy Action Plan** ([COM \(2020\) 98 final](#)) that strives to reduce the EU's consumption footprint and double its circular material use rate in the coming decade. (**March 2020**).
- The [Farm to Fork Strategy](#) for a fair, healthy and environmentally-friendly food system (**May 2020**).
- A [Biodiversity Strategy](#) for 2030 recognizes that investing in nature protection and restoration will be critical for Europe's economic recovery from the COVID-19 crisis. It seeks to expand protected areas, restore degraded ecosystems at land and sea, provide funds for biodiversity protection and integrate natural capital and biodiversity considerations will be integrated into business practices (**May 2020**).
- A **public sector loan facility**, the third pillar of the Just Transition Mechanism, implemented with the involvement of the European Investment Bank, to encourage investments that support the transition towards a climate-neutral economy to the benefit of coal- and carbon-intensive regions (**May 2020**).

## The Green Deal and Water

The close link between water and climate change and the objectives of the Green Deal, calls for water to play an important role in the different policy areas, particularly those of clean energy and energy efficiency, sustainable industry and circular economy, preserving ecosystems and biodiversity, sustainable agriculture and food systems and eliminating pollution.

Water is mentioned explicitly in the Green Deal in some areas:

- **Zero pollution action plan** for air, water and soil that will be issued 2021, including action to prevent point and non-point source pollution sources for surface and groundwater.
- **Biodiversity strategy**, which calls for **restoring freshwater ecosystems and the natural functions of rivers**, pledging that, at least 25,000 km of rivers will be restored into free-flowing rivers by 2030, restoring floodplains and wetlands and implementing ecological flows.
- **Farm to fork strategy** and the **greening of the Common Agricultural Policy**, seeks to ensure that **agricultural practices and the food chain have a positive or neutral environmental impact**, reducing pollution from the use of chemical pesticides or excess nutrients through improved farm and food processing practices.
- **Circular Economy Action Plan** with the goal to promote **water reuse for agriculture and reuse efficiency in industrial processes** to help reduce water stress.

These aspects build on already existing European water directives and regulations and can be further enhanced in the broader context of the Green Deal implementation.

Finally, an integral aspect of the Green Deal roadmap is the goal to strengthen the EU's Green Deal Diplomacy in cooperation with Member States and increase bilateral efforts to induce partners, and particularly neighbouring countries, to act and ensure comparability of action and policies. The UfM and its Water Agenda presents an ideal framework through which to seek synergies and complementarities in the field of water resources management, taking full advantage of the nexus thinking and regional approach that characterizes its content and goals.

## Plans for a post-COVID 19 Green and Just Recovery

The global pandemic that has impacted the world over the past few months has impelled governments and public and private institutions to review and adapt policy priorities and goals. Beyond the need to design and implement appropriate crisis response mechanisms to handle the immediate health and social emergencies, it is essential to design ambitious post-COVID recovery plans that allows governments to address the resulting socioeconomic consequences of the pandemic.

On May 27 the Commission presented two Communications that lay out the EU's plan for a Green and Just Recovery: *Europe's moment: Repair and Prepare for the Next Generation*<sup>3</sup> which lays out a comprehensive plan for European recovery, and *The EU budget powering the recovery plan for Europe*<sup>4</sup> where the Commission proposes to harness the full potential of the EU budget to mobilise investment and frontload financial support in the first years of recovery. The latter relies on two key elements: an emergency European Recovery Instrument ('Next Generation EU') amounting to EUR 750 billion € and a reinforced multiannual financial framework for 2021-2027, which complement the crisis emergency support funds approved in April.

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<sup>3</sup> <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=COM:2020:456:FIN>

<sup>4</sup> [https://ec.europa.eu/info/sites/info/files/about\\_the\\_european\\_commission/eu\\_budget/1\\_en\\_act\\_part1\\_v9.pdf](https://ec.europa.eu/info/sites/info/files/about_the_european_commission/eu_budget/1_en_act_part1_v9.pdf)

The Green Recovery plan seeks to kick-start the European economy, boost the green and digital transitions, and make the economy fairer, more resilient and more sustainable for future generations. Recognizing that the global challenges we face require international cooperation and global solutions, it seeks to reinforce collaboration and international alliances. Investing in a coordinated, global, sustainable recovery response is in everyone's best interests.

The most significant components of the Recovery plan in what pertains to the Green Deal and the EU's international commitments include:

Commit 25% of its multi-annual financial framework for 2021-2027 for climate action as the bedrock of the EU's green transition and economic recovery,

increase five-fold the funds committed to the Green Transition Fund, pledging to stay away from fossil-fuel projects, and to stick to its target of making Europe the first climate neutral continent by 2050,

reinforce the budget for the European Agricultural Fund for Rural Development to support farmers and rural areas in making the structural changes necessary to implement the European Green Deal, and in particular to support the achievement of the ambitious targets of the Farm to Fork and Biodiversity strategies,

Scale up resources for research and innovation in Horizon Europe in climate-related domains to strengthen support for the competitiveness of EU industry in related economic sectors and promote a recovery consistent with the goals of the European Green Deal,

ambitious targets in the new biodiversity and Farm to Fork strategies,

increase financial and regulatory support to at least double the annual renovation rate of existing building stock, thus creating jobs in construction, renovation and other labour-intensive industries while reducing energy consumption,

issue a Renewed Sustainable Finance Strategy that will lay out a EU sustainable finance taxonomy to guide investment in Europe's recovery to ensure they are in line with long-term ambitions and policy priorities,

improve support to EU's global partners, strengthening both the Neighbourhood, Development and International Cooperation Instrument and the Humanitarian Aid Instrument.