Background

As announced at the time of her candidacy, Commission President Ursula von der Leyen gave the starting signal for raising the EU climate target for 2030 to at least 55 percent in her first State of the Union speech in September. Vice Commission President responsible for Climate, Frans Timmermans, presented the legislative text and the impact assessment the following day, certifying that everything is economically viable.

On September 17, 2020, the European Commission presented its impact assessment on the revision of the European climate targets for 2030. The new Article 2a was added to the old proposal of the climate law of March 2020. It now includes an EU climate target for 2030 of at least 55% net reduction in greenhouse gas emissions (emissions after deduction of reductions) compared to 1990 levels. Without this new calculation method, this would be a target of about -52.8% emission reduction.

A few days earlier, on 11 September, the negotiations on the European Climate Law in the European Parliament ended with the final vote of the responsible committee (Environment Committee) with a vote of 46/18/17 and a climate target of 60 percent by 2030.

How will it be checked whether these targets are being met?

Already now, all EU states must submit their national climate and energy plans every year at the end of the year. There they show how far they have progressed in the expansion of renewables, the extent to which energy efficiency is advancing, etc. etc.

These plans will now be adapted based on the new target, if it is really raised.

What does an EU target of 60 or 55% mean for Germany?

<u>Existing calculations</u> show that Europe is already on a path of 50% emission reduction by 2030 with existing phttps://ember-climate.org/project/halfway-there/olicies and due to the stabilized CO2 emission trading prices. If the shares for renewable energies and energy efficiency are each increased by 6 to 8 percentage points and a consistent phase-out of coal by 2030, a reduction in greenhouse gases of 58% is assumed in the Union.

What mix of instruments such as emissions trading, price instruments and regulatory policy, the Commission will propose in order to reach that goal, has not yet been determined. It is clear from the Commission's impact assessment that there are many ways to achieve the goal or even more.

For Germany, the biggest emission drivers (<u>source UBA 2019</u>) are the energy industry and transport. These two sectors alone accounted for over 50 percent of the emissions in 2017, and of those the majority was produced by:

• 24% coal-fired power plants

21% Road and air traffic.

Adapting policies to a new climate target can therefore not succeed without massive changes in these areas. In both areas Germany has a responsibility that goes beyond its own national policy.

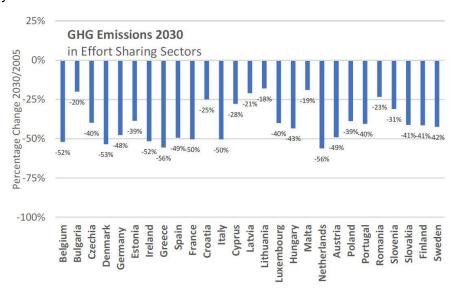


Figure SPM-3: Example implementation of allocating the 55% GHG emission reductions, taking into account qualifications for the emissions budget, renewables, and minimum welfare criteria.

Source: https://ember-climate.org/project/halfway-there/

Who is the biggest emitter of greenhouse gases in the EU?

In 2018, the EU-27 emitted a total of around 3,764 million tons (mt) of greenhouse gases in carbon dioxide (CO₂) equivalents. Germany, France, Italy and Poland together accounted for about 57 percent of this. Germany alone already contributed almost 23 percent.

What steps were taken in the European Parliament?

You can read <u>here</u> what is contained in the previous proposal of the Environment Committee and is now up for vote.

The Climate Law is now up for final vote in the plenary session. The important dates are:

1. The vote on the amendments is on:

Tuesday, 6 October, 17.45 - 19.00

2. The final vote on the entire Climate Law including the proposed amendments is on:

Wednesday, 7 October, 17.15 - 18.30

What changes could still be made to the ENVI proposal of the Climate Law?

Until Wednesday, 30 September 2020, the political groups in Parliament were able to table amendments. The most important one is the climate target 2030.

2030 climate targets to be voted on:

- at least -70% / GUE
- at least -65% / Greens/EFA
- -60% without taking into account carbon sinks Renew & S&D (both fractions have about 80-85% majority in favor)
- at least -55% net with crediting of carbon sinks and international market mechanisms / EVP

Indulgence trade for climate sinners?

With the amendment proposal, the EPP wants to establish Article 2b (new) as an "International Market Mechanisms" and thus establish the gateway for the buyout of climate protection. Basically, the aim is to make it possible to buy emission reductions from third countries - i.e. outside the EU - if the Union does not achieve its own targets.

The ECR handed in an amendment which proposed to ensure that if there are problems in achieving the climate targets, money will flow from the Commission to the member states. At the same time it demands that there should be exceptions for climate policy in exceptional circumstances - e.g. corona or Brexit etc.

Accounting for carbon sinks

In the existing target framework for 2030, the balance of carbon sinks (forests, peat and peatlands, ...) in the land use sector (LULUCF) is treated separately. The current 2020 and 2030 target refers to the reduction of emissions from industry, transport, etc. and allows only limited and above-average improvements of natural sinks as flexibility.

The Commission now proposes a complete net offsetting of emissions from oil, gas and coal against natural sinks. Thus the -55% GHG target for 2030 proposed by the Commission would in fact only correspond to a reduction of GHG emissions by 52.8% compared to 1990 levels.

Table 6: Sectoral GHG emissions and reductions depending on different scenarios

	BSL	MIX-50	REG	MIX	MIX-non- CO2 variant	CPRICE	ALLBNK	
		% change 2030 GHG emissions versus 1990						
Total GHG incl. LULUCF ¹¹²	-46.9%	-51.0%	-55.0%	-55.0%	-55.1%	-55.0%	-57.9%	
Total GHG excl. LULUCF	-45.1%	-49.0%	-52.8%	-52.8%	-52.8%	-52.8%	-55.5%	

What are the majorities for the 60% target?

The majority in favour of the 60% target is tight, but it is there. Renew, S&D, Greens/EFA and GUE are all supporting it.

Classification in terms of climate policy

- The 55 percent target for 2030 means that there is a 50 percent chance of meeting the 2 degree target.
- The 65 percent target for 2030 means that there is a 66 percent chance of meeting the 1.5 degree target. The calculations can be found here.

How much does the Climate crisis cost us?

<u>CAN Europe</u> has already shown in the past which costs we will have to pay for the climate crisis. The climate network shows how high the costs are already today for the European Union. We spend 14 billion euros per year for the consequences of extreme events such as storms, droughts or forest fires. This figure refers to the year 2017 and the global level of one degree temperature rise.

- 1 degree: 14 billion euros in consequential costs per year
- 2 degrees: 120 billion Euro follow-up costs per year
- More than 3 degrees: 190 billion euros in follow-up costs per year