European Union

Introductory Note

This year's annual UN Climate Summit, also known as Conference of the Parties (COP 26), was hosted in Glasgow from 31st of October till 12th of November, and brought back together again the leaders of the world, after a year of absence, due to COVID-19 pandemic.

The outcome of the Summit was neither exceptional, nor indifferent. On the one hand, the most important part is that the Parties managed to agree on the Paris Rulebook, meaning the directives for the full implementation of the Paris Agreement, after six years of negotiations. On the other hand, experts reported that, keeping in mind the situation right now, the commitments of the states to maintain the increase of the earth's temperature to 1.5 degrees Celsius, in relation to pre-industrial levels, are no longer enough.

A 10-year strategy to put people's jobs and well-being at the centre of the transition to carbon-neutral and climate-resilient economies was first introduced in the 2019 UN Climate Summit and remained almost the same after 2021 UN Climate Summit, with a focus on delivering decent jobs, advancing social justice, supporting a sustainable future for every country and ensuring an inclusive and sustainable recovery from the COVID-19 pandemic. The economic, social and environmental dimensions of the COVID-19 crisis need to be addressed so as to build back better, more sustainable and inclusive economies and societies that are more resilient to future shocks. A climate-positive recovery can be achieved through the six areas of action that the UN Secretary-General has put forward. (New Climate Action for Jobs Board calls for a sustainable recovery from the COVID-19 crisis, 2020)

The European Union has been considered for years a leader in the field of international climate change politics, adopting measures within the remit of EU's ordinary legislative procedure. We should highlight that the majority of such climate measures has been adopted under the EU's environment or internal market competence, demonstrating Commission entrepreneurship in linking competencies to climate change. The EU's climate policy has been rather successful, especially in comparison with its energy policy, a mixed competence, which has long faced pushback from member states. It is also notable that the seriousness of climate change has led the European Council to be in a special position. According to article 15 of the Treaty on the European Union (TEU), *"the European Council shall provide the Union with the necessary impetus for its development and shall define the general political directions and priorities thereof. It shall not exercise legislative functions*". However, the European Council has not been completely in line with this article. It has done more than just providing impetus by being a driver or blocker of internal policy developments and also by agreeing on policy measures, although that is the prerogative of the European Parliament and the Council of the European Union. Even so, the successful adoption of these policy measures in the EU underlines the significance of the collective securitization of climate change. (Dupont, 2018)

Environmental aspect

In 2015, 196 Parties agreed under the Paris Agreement to hold the increase in the global average temperature to well below 2 °C above pre-industrial levels and to get close, if possible, to 1.5°C. Nationally determined contributions (NDCs) are the progress indicators for the achievement of these long-term goals. It is crucial therefore for each country to communicate their climate actions in their NDCs every five years. In December 2020, the European Council submitted the NDC of the EU and its member states to the UNFCCC, containing an updated and enhanced target of at least a 55% reduction in greenhouse gas emissions by 2030 compared to 1990. (Paris Agreement: Council transmits NDC submission on behalf of EU and member states, 2020)

In the case of green job initiatives, this transition offers many opportunities for the creation of green and decent jobs for inclusive, low carbon growth. The European Commission has introduced the Green Employment Initiative Communication highlighting the employment challenges and opportunities and presenting an integrated framework to enhance labor market's and skill policies' role in support of this transition. The aforementioned Communication focuses on the anticipation and establishment of adequate skills policies so that works can cope with structural change.

There is also a framework in support of a secure labor market transition that promotes at the same time governance and partnership-based initiatives. As early as the first half of the past decade, the then European Climate Commissioner Connie Hedegaard was stating that green jobs were among the fastest growing and the most resilient of the European economy. Instead of being outsourced, local skills were already being sought in sectors like energy efficiency of buildings, pipe insulation, recycling and innovative renewable technologies. In these areas, employment had grown even during the crisis. However, in a Europe with 26 million unemployed Europeans, it is not enough to create growth. There should be an expansion in areas that can generate jobs. The green sector offered and still offers enormous potential for job creation and it has to be made sure that Europe can harvest its benefits in full. (Commission to maximise job opportunities in green economy, 2020)

In the context of carbon neutrality, in 2014 the European Union set a target of at least 40% internal reduction of GHG emissions throughout the economy by 2030 in comparison with 1990 levels. This target was introduced in the first EU Nationally Determined Contribution for the 2030 horizon under the Paris Agreement, including a Climate and Energy framework which will address the EU-level policy targets and objectives for the period of 2021-2030. In 2018, the European Commission presented the Communication "A Clean Planet for All", proposing a long-term strategy that permits the achievement of zero net GHG emissions by 2050, the basis for the EU's long-term development strategy being submitted to the UNFCCC under the Paris Agreement. According to the Commission, the policies and objectives already established in the EU will allow a reduction of its GHG emissions by around 45% by 2030 and around 60% by 2050. However, this prediction is not an optimistic one, considered that the requirement for the EU to reach its carbon neutrality goal by 2050 entails 80-95% reductions in GHG emissions. Nevertheless, a number of countries had already submitted their long-term strategies to the UNFCCC Secretariat by February 2019. Of these, four are, or were at the time, EU Member States (Germany, France, United Kingdom and Czech Republic). [Roadmap for Carbon Neutrality 2050 (RNC2050), 2019]

After the end of COP 26, the European Union stated that despite the great work that was done, further steps need to be taken. Nevertheless, there are some key initiatives, under EU's perspective, such as increased commitments by states to raise funds to help developing countries tackle climate change, the adoption of the Global Methane Commitment, and the completion of the Paris Rules Manual, that need to be contained.

As for Brexit, it is noteworthy that UK's absence from the EU climate policy is mainly a negative development. First of all, the EU lost an important ally that provided support to its climate agenda internally and internationally by committing to high emissions reduction targets at the EU level, policy solutions, and financial and diplomatic support. Another negative impact concerns the fact that Brexit has taken over the EU agenda, captured EU human and administrative resources and driven back investors and businesses as a result of the uncertainty it entails. The EU should prioritize establishing good negotiations and continue to work and cooperate with the UK on climate issues despite their mutual resentment. (Bocse, 2019)

In terms of national progress towards climate and energy targets of Europe in 2020, the EU member states vary in their national effort sharing targets, as they were set according to their gross domestic product (GDP) per capita. However, it is worth mentioning that 7 European countries (France, Greece, Italy, Netherlands, Spain, Sweden and the United Kingdom) had already achieved their GHG reduction target for 2020 by 2018. In addition, 11 countries (Austria, Belgium, Bulgaria, Cyprus, Estonia, Finland, Germany, Ireland, Luxembourg, Malta and Poland) had their 2018 Effort Sharing emission levels greater than their respective annual allocations (Trends and projections in Europe 2020, 2020). We can find other green growth success stories following the European green city awards. The French city of Grenoble won the European Commission's European Green Capital Award 2022, while the European Green Leaf 2021 is shared by the Bulgarian city of Gabrovo and the Finnish city of Lappeenranta. It is remarkable that Grenoble was the first French local authority to adopt a Climate Plan. As a result, the greenhouse gas emissions were reduced by 25% from 2005 to 2016, working towards a 50% reduction by 2030. Its eco-neighborhoods have also won national awards by maximizing limited green space and promoting initiatives such as vertical greening and tree planting programs. Lastly, thanks to Grenoble's incentives, reimbursements and pedestrianisation, the city's cycling rates are impassively high. (Grenoble, Gabrovo and Lappeenranta win prestigious European green city awards, 2020)

Economic aspect

Back in January 2020, the Just Transition Fund was proposed by the Commission as one of the three pillars of the Just Transition Mechanism, while its budget has been strengthened ever since. According to Commissioner for Cohesion and Reforms, Elisa Ferreira, "[t]*he green transition will only be successful if everyone benefits from it. The Just Transition Fund will actively support the changes leading to a thriving and socially fair climate-neutral economy. The Just Transition Fund is a crucial instrument for the delivery of the European Green Deal. It is also at the heart of cohesion policy's mission to make sure that no one is left behind, while we progress towards a greener and more competitive Europe*" (Commission welcomes the political agreement on the Just Transition Fund, 2020). This fund is particularly aimed to back productive investments in small and medium-sized enterprises, create new firms and promote research, innovation, environmental rehabilitation, clean energy, as well as the shapeshift of carbon-intensive installations if it will result in substantial emission cuts and job protection.

The second pillar of the Just Transition Mechanism consists of the dedicated InvestEU scheme that will finance projects in just transition territories as well as in other regions, beneficial for the just transition territories. In comparison with the Just Transition Fund, InvestEU will finance a wider range of projects, for example energy and transport infrastructure related ones. The third pillar concerns a new loan facility leveraged by the European Investment Bank (EIB). The public sector loan facility will enable the EIB to lend €10 billion, while €25 and €30 billion of public investments are expected to be mobilized in return, supporting just transition objectives over the period 2021-2027 (Just Transition funding sources, 2020).

Apropos of Information and Communication Technology (ICT), it is safe to say that tomorrow's sustainable economy needs to be in line with smart technologies. ICT is a useful tool when it comes to water distribution networks, as it can enhance their efficiency and higher resilience. ICT can also result in a significant reduction of waste and an improved waste management model. We should also underline the fact that ICT has adopted an environmental footprint policy framework which promotes its cooperation with industry and standards-development organizations so as to achieve a global consensus on how to measure energy consumption and emissions related to the

ICT sector. The ICT environmental footprint initiative focuses as well at road testing the agreed measurement methodologies with the industry (Shaping Europe's digital future; Environment, 2019).

In general, investing funds and technology for a sustainable future is a "win-win situation" for the EU, considering the fact that the climate crisis can destabilize its entire economy. According to the European Commission, total economic losses resulting from meteorological and other extreme weather events in Europe between 1980 and 2016 amounted to over €436 billion. In addition, coastal regions could face economic losses of about €39 billion a year by 2050 and up to €960 billion a year near the end of the century. Lastly, the funding of a greener future, besides being a smart move, can also be viewed as a solidarity move towards the more fragile EU member states. Their economic co-operation with the financially powerful ones is vital so that they can survive the climate crisis with dignity, bearing in mind that the climate impacts will be unevenly distributed at a European level. For example, southern European countries have greater vulnerabilities and fewer opportunities with climate change, compared to the other subregions of the European continent and will suffer more from the effects of heat-related human mortality, water restrictions, loss of habitats, energy requirements for cooling and rural fires [Roadmap for Carbon Neutrality 2050 (RNC2050), 2019].

Social aspect

UN Secretary-General António Guterres is urging governments to "Leave no one behind" in the transition to a sustainable and carbon-neutral future so as to recover better from the pandemic, and a lot of European countries have adopted or have announced their plan-strategy towards the carbon-neutral future . Leaving no one behind is strongly linked to achieving the United Nations 2030 Agenda on Sustainable Development in the EU, as the implementation of the 17 Sustainable Development Goals (SDGs) entails the achievement of the social dimensions of sustainability as well. Consequently, the "new deal" announced by the Commission President-elect should not only be a Green Deal but also a Social one. According to Peter Schmidt, rapporteur for the opinion, "[w]*e cannot achieve the SDGs without addressing social inequalities. 10% of wealthiest households hold 50% of total wealth – this is not sustainable! We need redistributive policies and a new model of growth to make sure that no one is left behind*".

The European Economic and Social Committee (EESC) suggests a more comprehensive approach so as to ensure a "just transition" for everyone. The reduction of social inequalities and the inclusion of the most vulnerable groups in society as well as the most disadvantaged regions and territories in the EU are necessary steps to be socially sustainable, being always in line with the European Pillar of Social Rights (EPSR). The current redistributive systems shall be reviewed, especially in the context of tailored taxation, social protection, and sustainable and social investments. In addition, human capital investments in the areas of education, training and lifelong learning are essential so that current and future generations are able to adopt their skills and competencies in green and digital technologies. Moreover, the EESC supports the mobilization of the youth. Young people are able to have a platform and be able to voice their concerns freely, the "Fridays for Future" movement being a bright example. (A Sustainable Europe must leave no one behind, 2019)

Last but not least, it should be kept in mind that the impacts of crises are never gender-neutral, and climate change is no exception. Embedding a gender lens in EU climate policies is an important step towards a just transition. Women's vulnerability to the various impacts of climate change is evident, taken into account that they represent a large proportion of the poorest in society and the least well positioned socially, legally and economically. According to studies, even the most gender-sensitive European countries have not paid attention to gender differences in material conditions and in attitudes towards climate issues, the absence of which is evident in the climate policy documents.

We should also note that the European Green Deal makes no mention of gender or women and men and so is the climate and energy framework. We can only find one mention of pregnant women as a vulnerable group in the Environmental Action Programme. EU's treaty obligations for gender mainstreaming, its commitments to the SDGs and to the UNFCCC's Gender Action Plan are not reflected in the climate policy agenda. The European Parliament is the only EU institution that has included gender responsive actions in relation to climate change, by producing a number of relevant reports and resolutions. According to one of these resolutions, "*there will not be any climate justice without true gender equality*". Women shall not only be included in the moment of the decision but in all levels of decision-making of gender equality and gender justice objectives in policies, action plans and other measures, for systematic gender analyses and for the inclusion of gender equality principles at all stages of climate change negotiation (Allwood, 2020).

References

- Allwood, G., 2020. Mainstreaming Gender And Climate Change To Achieve A Just Transition To A Climate-Neutral Europe. [online] The JCMS Annual Review of the European Union in 2019. Available at: <https://onlinelibrary.wiley.com/doi/full/10.1111/jcms.13082> [Accessed 27 December 2020].
- Bocse, A., 2019. The UK'S Decision To Leave The European Union (Brexit) And Its Impact On The EU As A Climate Change Actor. [online] Climate Policy. Available at: <https://www.tandfonline.com/doi/full/10.1080/14693062.2019.1701402> [Accessed 28 December 2020].
- Dupont, C., 2018. The EU'S Collective Securitisation Of Climate Change. [online] West European Politics. Available at: <https://www.tandfonline.com/doi/full/10.1080/01402382.2018.1510199> [Accessed 26 December 2020].
- European Commission. 2020. Commission Welcomes The Political Agreement On The Just Transition Fund. [online] Available at: <https://ec.europa.eu/commission/presscorner/detail/en/ip_20_2354> [Accessed 26 December 2020].
- European Commission. 2020. Commission To Maximise Job Opportunities In Green Economy. [online] Available at: <https://ec.europa.eu/environment/europeangreencapital/opportunities-green-economy/> [Accessed 28 December 2020].
- European Commission. 2020. Grenoble, Gabrovo And Lappeenranta Win Prestigious European Green City Awards. [online] Available at: <https://ec.europa.eu/environment/news/grenoble-gabrovo-and-lappeenranta-win-prestigious-european-green-city-awards-2020-10-09_en> [Accessed 29 December 2020].
- European Commission. 2020. Just Transition Funding Sources. [online] Available at: <https://ec.europa.eu/info/strategy/priorities-2019-2024/

european-green-deal/actions-being-taken-eu/just-transition-mechanism/just-transition-funding-sources_en> [Accessed 26 December 2020].

- European Commission. 2019. Shaping Europe's Digital Future; Environment. [online] Available at: <https://ec.europa.eu/digital-single-market/en/environment> [Accessed 27 December 2020].
- European Council. 2020. Paris Agreement: Council Transmits NDC Submission On Behalf Of EU And Member States. [online] Available at: <https://www.consilium.europa.eu/en/press/press-releases/2020/12/18/paris-agreement-council-transmits-ndc-submission-on-behalf-of-eu-and-member-states/> [Accessed 30 December 2020].
- European Economic and Social Committee. 2019. A Sustainable Europe Must Leave No One Behind. [online] Available at: <https://www.eesc.europa.eu/en/news-media/news/sustainable-europe-must-leave-no-one-behind> [Accessed 26 December 2020].
- European Environment Agency. 2020. Trends And Projections In Europe 2020. [online] Available at: <https://www.eea.europa.eu/publications/trends-and-projections-in-europe-2020> [Accessed 29 December 2020].
- ILO. 2020. New Climate Action For Jobs Board Calls For A Sustainable Recovery From The COVID-19 Crisis. [online] Available at: <https://www.ilo.org/global/about-the-ilo/newsroom/news/WCMS_754932/lang--en/index.htm> [Accessed 8 December 2020].
- UNFCCC. 2019. Roadmap For Carbon Neutrality 2050 (RNC2050). [online] Available at: <https://unfccc.int/sites/default/files/resource/RNC2050_EN_PT%20Long%20Term%20Strategy.pdf> [Accessed 17 December 2020].