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FÖS Forum Ökologisch-Soziale Marktwirtschaft
Levegő Munkacsoport

An EU Budget to address Climate Change, the Green Deal and post-Corona Recovery

Webinar

Im Auftrag des:

Bundesministerium für Umwelt, Naturschutz, Bau und Reaktorsicherheit

Europäische **Klimaschutzinitiative** EUKI

15th June from 10.30 to 12:00

Zoom https://us02web.zoom.us/j/84344491545?pwd=UGczb2k4RnJPaGhyRDY1U3ExQy9lUT09&status=success

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@EUKI_Climate

An EU Budget to address the Climate Emergency: How to fund a Green New Deal for Europe

Webinar Agenda

0. Welcome
1. Update EGD, MFF wider instruments and recovery package Patrick ten Brink, EEB
2. Recovery package, MFF and Cohesion Fund – update and what can CSOs do to push for a EGD compatible funding? Markus Trilling, CAN Europe
3. CAP funding – update and what can CSOs do to push for an EGD compatible funding? Bérénice Dupeux, EEB
4. Programming – making Partnership Agreements take on board EGD priorities – Andras Lukacs, CAAG
5. National practice – examples of how DE is investing in the green transition – Matthias Runkel, GBG
6. Don't forget wider incentives nationally – examples of carbon tax progress – Barbara Mariani, EEB

Im Auftrag des:

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Welcome – Introduce yourselves!

Add name and org

Patrick ten Brink EEB

Bérénice Dupeux (EEB)

Matthias Runkel (FÖS / GBG)

András Lukács (Clean Air Action Group, Hungary and Green Budget Europe)

Jeroen van der Laan [Trinomics]

Lucas Globensky European Parliament

Rob Williams (Trinomics)

Magnus Nilsson

Rossella Bittichesu and Elisabetta Pittarello - Greener Policy

Ignasi Puig Fundació ENT

Tessa Zell (Trinomics)

Petter Bjersér (OECD Intern CCXG)

Markus CAN Europe

Elva Bova; Commission DG ECFIN

Emilie Balayn Service Public de Wallonie

Marta Arbinolo OECD Environment

Márton Vargha Clean Air Action Group Hungary

Clara Bourgin Counter Balance

Bruno Barthas AIRBUS

Wenwei ZHANG:Theater production assistant, Ergao Production Group

Eero Yrjö-Koskinen

Theodoros Zachariadis, Cyprus University of Technology

Ivana Saric (Vita projekt, Croatia)

Lucia Alessi (European Commission - Joint Research Centre)

Yasen Georgiev, EPI Bulgaria

Orsolya Domanicczky, CEEweb

Katy Wiese (EEB)

Celine Fabrequette (ECOLISE)

Im Auftrag des:

Bundesministerium für Umwelt, Naturschutz, Bau und Reaktorsicherheit

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73 registered, on average 41 were in the webinar. Not all added their names

Update EGD, MFF wider instruments and recovery package

Patrick ten Brink EU Policy Director

Im Auftrag des:

Bundesministerium für Umwelt, Naturschutz, Bau und Reaktorsicherheit

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European Green Deal: Progress & Delays

	Q1-Q2 2020	Q3-Q4 2020 to 2021 (see Annex of updated COM WP)
EGD	14 January: **The Just Transition Mechanism & The European Green Deal Investment Plan** 4 March: **Climate Law proposal** 10 March: **Circular Economy Action Plan II & Industrial Strategy** 20 May: **Biodiversity strategy** (late) 20 May: **Farm to Fork Strategy** (late) 27 May: **Recovery Package and MFF** **8EAP** (delayed to Q4)	· **European Climate Pact** (from Q3 to Q4) · **EU Strategy on Adaptation to Climate Change** (to Q1 2021) · **Chemicals strategy for sustainability (Q3)** · **Forest Strategy** (from 2020 to Q1 2021) · **Renewed sustainable finance strategy** (Q3 to Q4) · Integration of **SDGs in the Semester** · **'Renovation wave' for building sector (Q3)** · **Strategy for Sustainable and Smart Mobility (Q4)** · **ReFuelEU Aviation - Sustainable Aviation Fuels (Q4)** · **Zero pollution action plan for air, water and soil** (2021)
Key meetings	Informal ministers meeting in Split 21-22 April (cancelled) 22 June Environment Council (on-line) New European Council on MFF	Int. Conf. Chem. Mng't (ICCM5) SAICM, Bonn (delayed to 2021) Biodiversity: COP 15 in Kunming (delayed to 2021) Climate: UNFCCC COP 26 Glasgow (delayed to 2021) EU-China meeting (delayed)

Recovery Plan for Europe: What are the Positive aspects?

- **Recovery Plan: Next Generation EU -** new recovery instrument (**€750bn)** to boost the EU budget with new financing raised on financial markets for **2021-2024 + Reinforced long-term EU budget : 2021-2027 (€1100bn)**
- The **scale of funding** proposed, including the proposal for a **mix of grants and loans**, demonstrates **EU solidarity** & allows a response to matches scale and urgency of challenges.
- **The European Green Deal is at the heart of the recovery package.**
- We welcome the commitment to the **green oath to "do no harm".** This commitment is key and needs to be operationalised.
- The increased **Just Transition Mechanism (JTM)** budget will help countries and regions manage the transition.
- **The MFF proposals include the option for the EU to raise "own resources"** – EU-wide taxation on digital services, financial transactions, extension of the ETS based own resources to maritime and aviation, a carbon border adjustment mechanism, and plastic waste. Each of these is important, as is the need to close tax loopholes for aviation and maritime excise taxes.

What needs to be improved – high level

The current proposal is weak as regards conditionality and transparency,

The targetting of money could be improved by focusing on green jobs, **ecological resilience economic development that respects the green oath, and cost effectiveness**. The 25% allocation to climate should be increased to 40% for climate and 10% environment, and earmarking put in place to safeguard funding.

Funding should not target investments that risk undermining the EGD or EU resilience - e.g. fossil fuels or intensive agriculture, nor aviation without strict conditionalities for a green transition.

Much of the money is allocated giving very high levels of flexibility to Member States and with insufficient provisions regarding State Aid conditionality. Need ambitious and specific national strategies, plans and programmes will be essential to ensure this.

Recovery Package needs to give **greater recognition to the cause of the crisis and target funds and policies to address the drivers with a view to avoiding future crises.**

What needs to be improved: thematic areas

- **Building Restoration:** The commitment on building restoration is welcome, but more specific targetting of energy efficiency should be included.
- **Energy:** The recognition of the importance of renewable energies is welcome; however, there are risks that commitments to "clean hydrogen" rather than "green hydrogen" will create loopholes for funds to be directed towards expensive CCS and provide a lifeline for gas.
- **Transport:** The funds promised for clean transport will make a significant difference, but moneys are also needed to rebuild urban space for people, reduce car numbers and systematically encourage cycling.
- **Circular Economy:** We welcome the commitment to recycling, but we must go beyond recycling and ensure a full circular economy transition and move towards business and consumption models which support the right of consumers to repair and use everyday products for longer.

What needs to be improved: thematic areas

- **Nature:** Biodiversity Strategy promised €20bn per year. Regrettably, the Commission budget proposal failed to explicitly earmark EU funding for direct investment in nature, with the exception of a commitment to mobilise €10bn for 10 years under InvestEU programme (for which money still needs to be found).

- **Agriculture**: The increase in funding to CAP (including Pillar 1) is not coherent with the European Green Deal. The proposed extra €15bn under CAP pillar 2, would have been a good signal, but wasn't tied to current env. ringfencing nor to the new objectives stated in the Farm to Fork and Biodiversity strategies. Payments for intensive farming that harms the environment have been left untouched and might even increase in the future.

In summary - the political level commitment of the Recovery Package is constructive, but some of the content has adopted a more traditional, conservative way forward, with significant weaknesses. These needs to be brought in line with the high-level commitment to the European Green Deal. And the range of good elements need to be operationalised.

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Any Questions ?
(via chat)

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‚Europe's moment: Repair and prepare for the next generation’ ?

The EU recovery package

’A budget for European recovery and resilience’

SURE / ESM Pandemic Crisis Support / EIB Guarantee Fund for Workers and Businesses	EUR 540 billion
Next Generation EU	Temporary reinforcement EUR 750 billion
Multiannual Financial Framework	EUR 1100 billion

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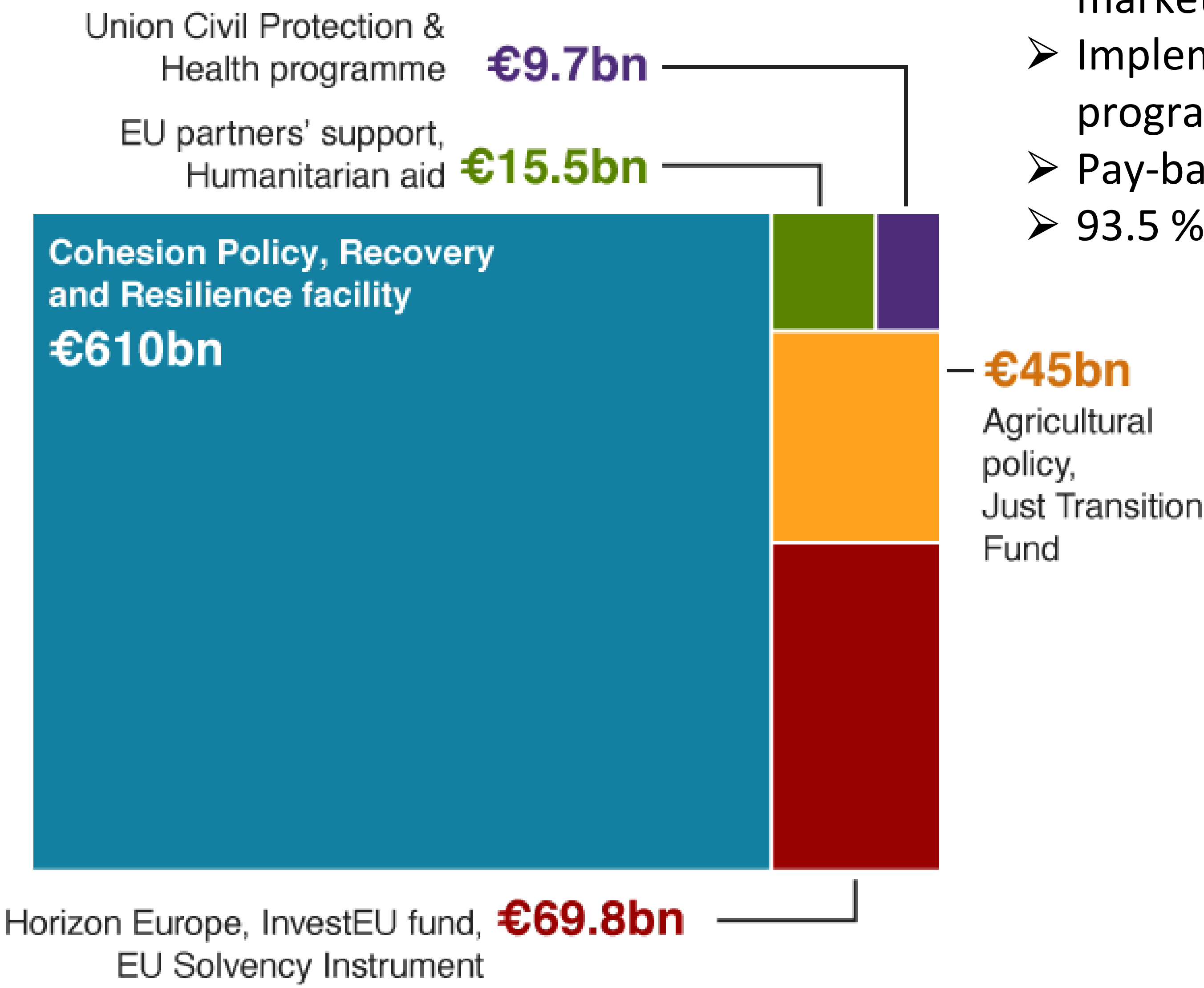
Next Generation EU

- € 500 billion in grants
- € 250 billion in loans
- EC borrowing on financial markets (‘green bonds’?!)
- Implementation via EU budget programmes
- Pay-back 2028 – 2058 via MFF
- 93.5 % public; 6.5% private

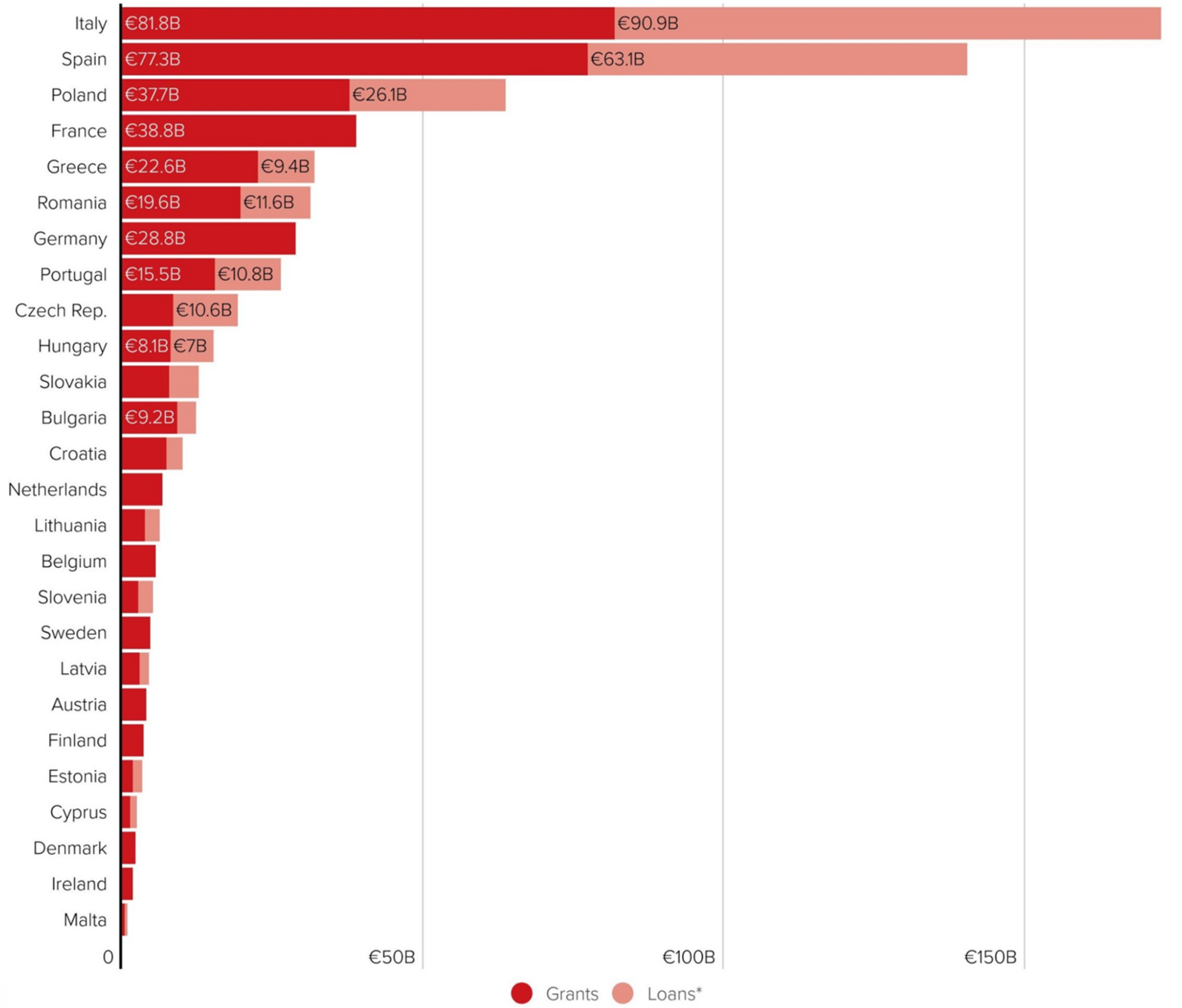
EU stimulus composition

Where the €750bn will be invested



EUROPEAN COMMISSION RECOVERY FUND

Plan puts Spain and Italy in line for biggest payouts.



*Estimated on the basis of the relative GNI share of Member States with GNI per capita below EU average.

SOURCE: European Commission, 2018 prices.

POLITICO

MFF Negotiations

- June EUCO
- Next MFF summit in July

Legislative procedures

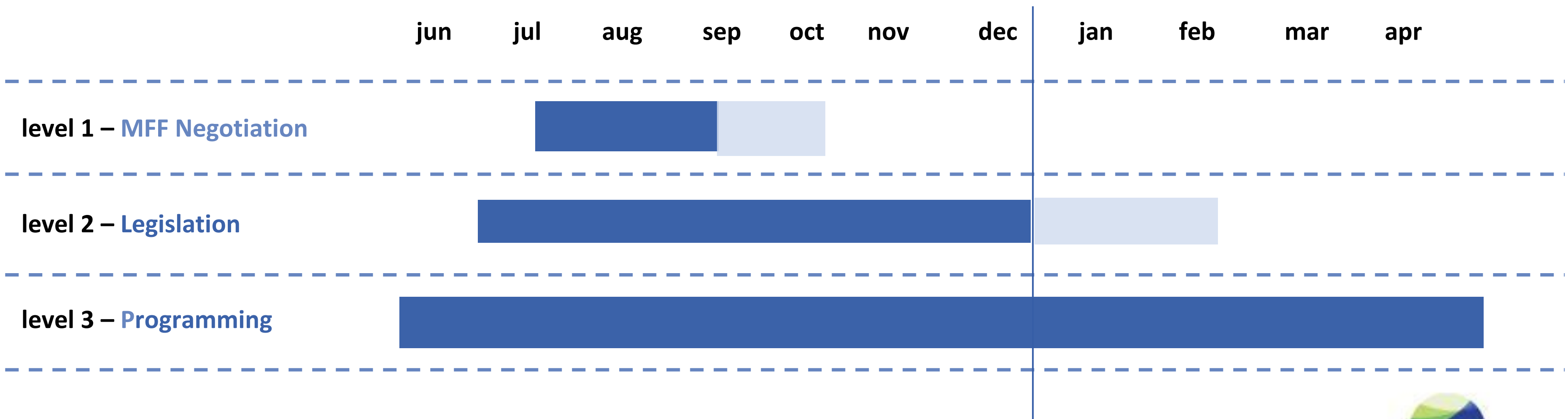
- Co-decision council - EP

Entry into force on 1 January 2021?

Programming

- Resilience and Recovery Plans
- Partnership Agreements and Operational Programmes
- CAP Strategic Plans
- Territorial Just Transition Plans

Approval by EC/MSs April/May 2021?



Any Questions ?
(via chat)

Im Auftrag des:

What do you like about the Recovery Package?

Recreates optimism. Increase of JFT strategically important. Without equality no real climate action.

Provides a stimulus to sustainable growth which takes into account our ecological boundaries

Strengthens the “green narrative” for the recovery

That it exists and has its heart in the right place

Used for Green/Social innovations: Impact Startups

Help/support big corporations polluting the most to make strong and bold transitions to Green business models and innovations

“guideline” for national recovery packages

Increase in EU solidarity, which is needed to tackle climate change

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What elements do you think need to be improved ?

From Swedish perspective, some sort of guarantees that this does not rewards and permanents weak budget discipline in i a Italy. And why recovery money to countries like Poland, hardly affected by the pandemic?

Greater requirements to secure environmental aspects are properly taken into account

From a Corporate perspective, have stronger and more restrictive rules for Corporations towards green innovation (no greenwashing for example…)

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What do you recommend Civil Society do to:

improve the Recovery Package?

Lobby national government s and EU to include green targeting

Of course raise the ear-marked climate money.

Contact key political groups at EP to point out the window of opportunity Covid-19 may provide (Economist: Seize the moment!)

Use the budget and visibility to increase the transition toward a circular economy and zero waste policies

An EU Budget to address the Climate Emergency: How to fund a Green New Deal for Europe

Webinar Agenda

CAP funding – update and what can CSOs do to push for a EGD compatible funding?

Bérénice Dupeux, EEB

Im Auftrag des:
Bundesministerium für Umwelt, Naturschutz, Bau und Reaktorsicherheit
Europäische Klimaschutzinitiative EUKI

Budget change for the CAP +24 billion €

On the 27th , New MFF**:**

+4,4 bn € for 1st Pillar market measures

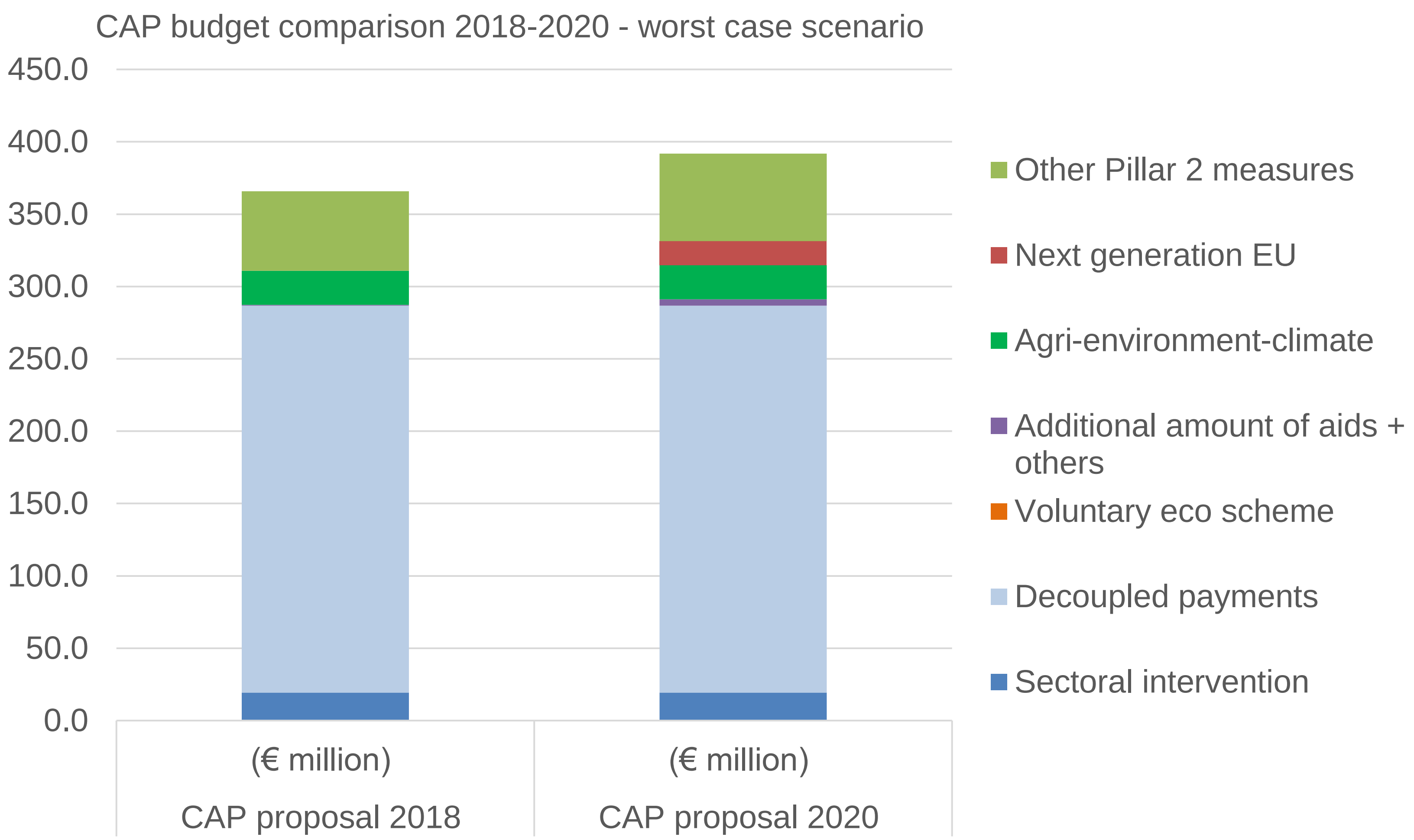
+5 bn € MMF &+15 bn € NRF for 2nd Pillar "*making the structural changes necessary to implement the European Green Deal, and in particular to support the achievement of the ambitious targets in the new biodiversity and Farm to Fork strategies*"

On the 29th, Amendment to CAP commission proposal:

+4,4 bn € for 1st Pillar market measure – crisis management

+5 bn € MMF &+15 bn € NRF for 2nd Pillar *"(i) support measures to address the impact of the COVID-19 pandemic on agriculture and rural development" + a new objective yet NOT SEEN!*

Budget change for the CAP



What do we advocate for ?

COHERENCE BETWEEN EU GREEN DEAL AND CAP REFORM

+4,4 billion € for 1st Pillar need for **environmental safeguards**

+5 MMF &+15 billion NRF € for 2nd Pillar

- **New objectives need to be coherent with the EU Green Deal**
- **Ensure long term recovery transition toward a more resilient and sustainable farming systems**
- **End harmful subsidies**

MEMBER STATES WILL HAVE GREAT FLEXIBILITY IN MONEY ALLOCATION

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Any Questions ?
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An EU Budget to address the Climate Emergency: How to fund a Green New Deal for Europe

Webinar Agenda

Programming – making Partnership Agreements take on board EGD priorities

András Lukács, Clean Air Action Group

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Im Auftrag des:

Bundesministerium für Umwelt, Naturschutz, Bau und Reaktorsicherheit

Europäische Klimaschutzinitiative EUKI

EUROPEAN
COMMISSION

Strasbourg, 29.5.2018
COM(2018) 375 final

2018/0196 (COD)

Proposal for a

REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

laying down common provisions on the European Regional Development Fund, the European Social Fund Plus, the Cohesion Fund, and the European Maritime and Fisheries Fund and financial rules for those and for the Asylum and Migration Fund, the Internal Security Fund and the Border Management and Visa Instrument

Common Provisions Regulation

https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=COM%3A2018%3A375%3AFIN

TITLE II
STRATEGIC APPROACH

CHAPTER I
Partnership Agreement

Article 7
Preparation and submission of the Partnership Agreement

1. Each Member State shall prepare a Partnership Agreement which sets out arrangements for using the Funds in an effective and efficient way for the period from 1 January 2021 to 31 December 2027.
2. The Member State shall submit the Partnership Agreement to the Commission before or at the same time as the submission of the first programme.
3. The Partnership Agreement may be submitted together with the relevant annual National Reform Programme.
4. The Member State shall draw up the Partnership Agreement in accordance with the template set out in Annex II. It may include the Partnership Agreement in one of its programmes.
5. Interreg programmes may be submitted to the Commission before the submission of the Partnership Agreement.

Article 8
Content of the Partnership Agreement

The Partnership Agreement shall contain the following elements:

(a) the selected policy objectives indicating by which of the Funds and programmes they will be pursued and a justification thereto, and where relevant, a justification for using

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english (en)
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Policy | 2021-2027 | Funding | What's new | In your country | Projects | Information sources

Guidance on European Structural and Investment Funds 2014-2020

regiowiki In addition to being able to download the full text of the legislation on InfoRegio, you can now alternatively access an interactive database of legal texts and guidance documents, called **Regulatory Framework public database**. It offers the possibility to navigate through the primary legislation, secondary legislation, and guidance notes in a dynamic way. Please note that this new facility is available for the English text only.

In order to access this application, you will be requested to first register yourself. This self-explanatory procedure is very easy and quick.

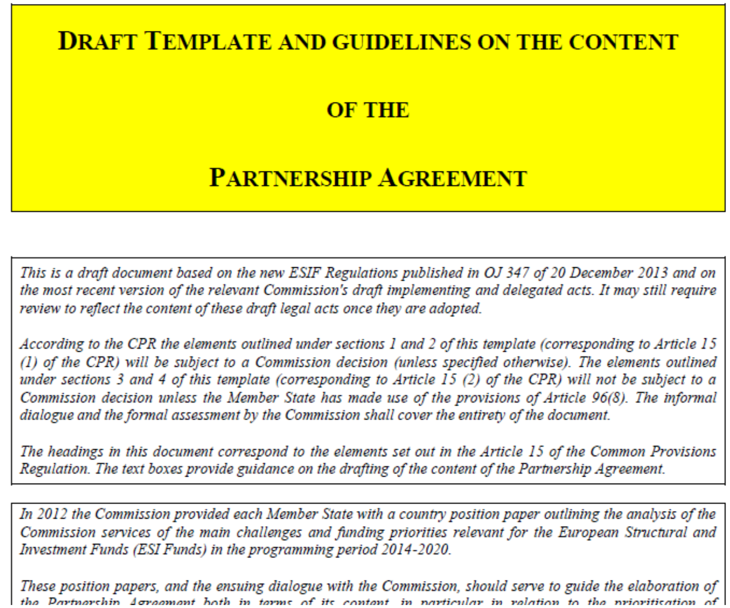
Programming

- Draft template and guidelines on the content of the Partnership Agreement

LEGISLATION AND GUIDANCE

- Regulations 2014-2020
  - 1994-1999
  - 2000-2006
  - 2007-2013
- Delegated Acts
- Implementing Acts
- Decisions 2014-2020
  - 2007-2013
  - 2000-2006
- Communications
  - Archive
- **Guidance 2014-2020**
  - 2007-2013
  - 2000-2006

https://ec.europa.eu/regional_policy/index.cfm/en/information/legislation/guidance/



DRAFT TEMPLATE AND GUIDELINES ON THE CONTENT

OF THE

PARTNERSHIP AGREEMENT

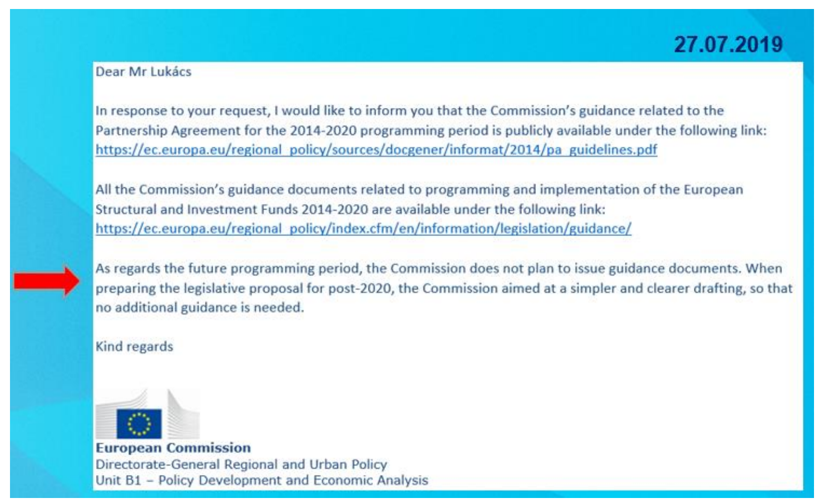
This is a draft document based on the new ESIF Regulations published in OJ 347 of 20 December 2013 and on the most recent version of the relevant Commission's draft implementing and delegated acts. It may still require review to reflect the content of these draft legal acts once they are adopted.

According to the CPR the elements outlined under sections 1 and 2 of this template (corresponding to Article 15 (1) of the CPR) will be subject to a Commission decision (unless specified otherwise). The elements outlined under sections 3 and 4 of this template (corresponding to Article 15 (2) of the CPR) will not be subject to a Commission decision unless the Member State has made use of the provisions of Article 96(8). The informal dialogue and the formal assessment by the Commission shall cover the entirety of the document.

The headings in this document correspond to the elements set out in the Article 15 of the Common Provisions Regulation. The text boxes provide guidance on the drafting of the content of the Partnership Agreement.

In 2012 the Commission provided each Member State with a country position paper outlining the analysis of the Commission services of the main challenges and funding priorities relevant for the European Structural and Investment Funds (ESI Funds) in the programming period 2014-2020.

These position papers, and the ensuing dialogue with the Commission, should serve to guide the elaboration of the Partnership Agreement both in terms of its content, in particular in relation to the prioritisation of



27.07.2019

Dear Mr Lukács

In response to your request, I would like to inform you that the Commission's guidance related to the Partnership Agreement for the 2014-2020 programming period is publicly available under the following link:
https://ec.europa.eu/regional_policy/sources/docgener/informat/2014/pa_guidelines.pdf

All the Commission's guidance documents related to programming and implementation of the European Structural and Investment Funds 2014-2020 are available under the following link:
https://ec.europa.eu/regional_policy/index.cfm/en/information/legislation/guidance/

As regards the future programming period, the Commission does not plan to issue guidance documents. When preparing the legislative proposal for post-2020, the Commission aimed at a simpler and clearer drafting, so that no additional guidance is needed.

Kind regards

European Commission
Directorate-General Regional and Urban Policy
Unit B1 – Policy Development and Economic Analysis

European Commission

English EN

Home › Publications › Partnership agreements on the European structural and investment funds

COLLECTION | PLANNING AND MANAGEMENT DOCUMENTS

Partnership agreements on the European structural and investment funds

First published on 28 February 2014

Agreements between the European Commission and individual EU countries. They set out the national authorities' plans on how to use funding from the European structural and investment funds between 2014 and 2020.

Documents

PLANNING AND MANAGEMENT DOCUMENTS | 17 OCTOBER 2014

Partnership agreement with Austria - 2014-20

Agreement between the European Commission and Austria on funding through the European structural and investment funds.

PLANNING AND MANAGEMENT DOCUMENTS | 24 OCTOBER 2014

Partnership agreement with Belgium - 2014-20

Agreement between the European Commission and Belgium on funding through the European structural and investment funds

Ref. Ares(2014)1205786 - 16/04/2014

EUROPEAN COMMISSION

Observations on the Partnership Agreement with Slovakia

PART I

Introduction

The observations laid out below have been made within the framework of the Common Provisions Regulation (CPR) and the fund-specific regulations[1]. The observations take into account the 2013 Country-specific Recommendations (CSR) adopted by the Council on 9 July 2013[2] and the related European Semester Staff Working Document, and are based on the Commission Services' Position Paper (CPP) for the use of the European Structural and Investment Funds (ESIF) in 2014-2020.

The observations address issues based on the Partnership Agreement (PA) submitted by Slovakia on 14 February 2014.

The observations are presented following the structure of the PA as laid out in the template. The most critical issues for the Commission are noted in Part I.

1. Assessment of Member State policy objectives

https://ec.europa.eu/info/publications/partnership-agreements-european-structural-and-investment-funds_en

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Common Provisions Regulation

CHAPTER II
Enabling conditions and performance framework

Article 11
Enabling conditions

1. For each specific objective, prerequisite conditions for its effective and efficient implementation ('enabling conditions') are laid down in this Regulation.

   Annex III lays down horizontal enabling conditions applicable to all specific objectives and the criteria necessary for the assessment of their fulfilment.

   Annex IV lays down thematic enabling conditions for the ERDF, the Cohesion Fund and the ESF+ and the criteria necessary for the assessment of their fulfilment.

2. When preparing a programme or introducing a new specific objective as part of a programme amendment, the Member State shall assess whether the enabling conditions linked to the selected specific objective are fulfilled. An enabling condition is fulfilled where all the related criteria are met. The Member State shall identify in each programme or in the programme amendment the fulfilled and non-fulfilled enabling conditions and where it considers that an enabling condition is fulfilled, it shall provide justification.

3. Where an enabling condition is not fulfilled at the time of approval of the programme or the programme amendment, the Member State shall report to the Commission as soon as it considers the enabling condition fulfilled with justification.

Ex Ante Conditionality

- Guidance on Ex Ante Conditionalities for the European Structural and Investment Funds:
  - Part I
  - Part II
- Questions & Answers on Ex-ante Conditionalities:
  - Research and Innovation (thematic EAC 1.1 & 1.2)
  - Information and Communication Technologies (thematic EAC 2.1 & 2.2)
  - Small and Medium Enterprises (thematic EAC 3)
  - Energy (thematic EAC 4.1, 4.2, 4.3 & 7.4)
  - Sustainable Development (thematic EAC 5,6.1 & 6.2 and general EAC 6)
  - Transport (thematic EAC 7.1, 7.2 & 7.3)
  - Thematic ex-ante conditionalities 8 to 11 and general ex-ante conditionalities 1 to 3
  - Public Procurement and State Aid (general EAC 4 & 5)
  - Statistical Systems and Result Indicators (general EAC 7)

https://ec.europa.eu/regional_policy/index.cfm/en/information/legislation/guidance/

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Supplement

to the Synthesis Report
"Climate Change and the EU Budget 2021-2027"

Assessment
of the responses from the questionnaire and conclusions drawn from them

by András Lukács

(Clean Air Action Group, Hungary)

EUKI Project "An MFF for the Climate"

2 Priorities and recommendations for future EU funding

From the responses to the questionnaire and interviews as well as personal discussions with experts have offered the following proposals have emerged for improving EU funding in the next MFF (2021-2027). Probably the most important conclusion that could be drawn from the responses to the is the following: The EU budget can effectively serve the implementation of climate and environmental goals only if certain general conditions (pertaining not only to climate and environment) on national level are fulfilled.

2.1 Strict enabling conditions

a) **Strict conditionalities (enabling conditions) must be set for EU funding.** The enabling conditions must be robust, precise, clearly controllable, and in full conformity with the EU's aims.

b) According to the overwhelming majority of the respondents, EU funding must not be provided to governments which do not fulfil the enabling conditions. If the enabling conditions are violated at any time during the financial period, EU funding must be suspended immediately.[25] This is absolutely necessary to avoid further aggravation of the problem. Quite a number of respondents stated that tolerating the violation of EU rules undermines the very foundations of the EU. In the longer term, this would have much graver consequences for the local communities than the suspension of EU funding.

c) The European Commission must continuously monitor the fulfilment of the enabling conditions.

> *"It depends on the degree, but the EU should definitely have sanctions otherwise it would not function. If there are no sanctions, countries will breach the laws by saying they would be more productive and competitive if they do."* – Respondent from Denmark
>
> *"There should be sanctions in a form of reimbursement of funds to the EU, if the impact was not achieved. You should look for the benefit of the EU funding, but you should also be responsible for*

https://eeb.org/publications/183/eu-governance/100291/supplement-to-the-climate-change-and-the-eu-budget-report-by-clean-air-action-hungary.pdf

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It is vital to have robust partnership agreements for EU funding

A message from András Lukács, Clean Air Action Group (Hungary)

The partnership agreements on the European structural and investment funds (PAs) are legally binding documents signed by the European Commission and national governments of EU Member States (MS). This is a precondition for the national governments for receiving EU funding. The PAs define for them the conditions and ways using EU money for the concerned 7-year period of the EU budget (the Multiannual Financial Framework, MFF). Therefore, the content of the PAs is of utmost importance also for the processes aiming to achieve the EU's climate and environmental targets. Civil society organisations in all EU member states should put a lot of effort into influencing the preparation of the PAs so that their final version contains all the necessary measures with concrete intermediate and final deadlines to achieve the EU's climate and environmental targets.

All PAs for the current (2014-2020) MFF are accessible here. The PAs for the next MFF (2021-2027) are probably under preparation in all MS.

The main principles of the preparation of the PAs are laid down in the so-called Common Provisions Regulation (CPR). The CPR for the current MFF is accessible here. The CPR for the next MFF is still under negotiation between the European Parliament and the European Council, so far there is only a proposal by the Commission. For the current PAs the Commission had prepared a Draft Template and Guidelines on the Content of the Partnership Agreement and many other guidance materials. Unfortunately, this will not be the case for the preparation of the next MFF. The Commission informed us about the following: "As regards the future programming period, the Commission does not plan to issue guidance documents. When preparing the legislative proposal for post-2020, the Commission aimed at simpler and clearer drafting, so that no additional guidance is needed."

Nevertheless, the guidance materials for the current PAs are still an extremely useful source of information for civil society organisations (CSOs) which intend to be involved in the preparation of the coming PAs. Especially important documents are included under the heading "Guidance on Ex Ante Conditionalities for the European Structural and Investment Funds".

The new CPR proposal (similarly to the current CPR) states, among others, the following about ex ante conditionalities (or "enabling conditions", as they are called in the CPR proposal): "Member States will not be able to declare expenditure related to specific objectives until the enabling condition is fulfilled. This will ensure that all co-financed operations are in line with the EU policy framework." The enabling conditions proposed by the Commission can be found in the Annexes to the CPR proposal. (Annex III contains the horizontal enabling conditions and Annex IV contains the thematic enabling conditions.) However, the enabling conditions in these documents are quite general, and the details should be expounded, among others, in the PAs. On the other hand, the enabling conditions relate mainly to the programs and projects funded by the EU while it is clear that the efficiency of the use of EU funds, as well as the overall contribution of the Member State to achieving the EU's climate and other targets, depend first of all on the general state of the institutional and legislative system of the given country. The related requirements can be and certainly should be included in detail in the PAs.

For all these reasons, CSOs working in various fields should start elaborating recommendations for the PAs as soon as possible. On the basis of the results of the project An MFF for the Climate, we consider that, among others, the following recommendations for the PAs should be elaborated in detail for each Member State:

(1) The National Energy and Climate Plan (NECP) must be fully in line with the Paris Agreement and it should be continuously implemented with concrete targets for each year.

(2) All environmental harmful subsidies must be removed. External environmental and health costs must be internalised.

(3) The Country-specific Recommendations and the recommendations in the underlying Country Reports must be implemented.

(4) The zero-tolerance attitude towards fraud and corruption must be enforced. (The Group of States against Corruption, Transparency International and other organisations have already made many concrete proposals to this end.)

(5) The Member State must join the European Public Prosecutor's Office.

(6) If EU money is misused, and the government has to repay it, then the same government should not receive it even for other purposes.

(7) Discretionary funding (i.e. funding decided by individual choice or judgment in public offices) to enterprises must be drastically reduced. Such funding should be provided almost exclusively to enterprises performing public services.

(8) It must be proved that there will be sufficient financial resources for operation and maintenance during a certain number of years after the completion of the project concerned.

(9) The "principle of non-retrogression" must prevail. (This principle means that no measures should be taken that downgrade or limit levels of the right to education, health, environment, etc. If such measures that contradict the EU's objectives have been taken by a Member State after its accession to the EU, they must be repealed as soon as possible).

(10) The European Code of Conduct on Partnership must be fully implemented.

After the submission of a draft PA by a Member State, the Commission makes its observation on the draft and asks the Member State to take it into account. Thus, there in an opportunity for CSOs to be involved in the preparation of the PAs both on national and European level.

Naturally, it is not sufficient to have excellent PAs. They must be also continuously enforced.

András Lukács
Clean Air Action Group

https://eeb.us2.list-manage.com/track/click?u=1777448aafe85ef675bd9ea87&id=436755d943&e=632872180c

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Levegő Munkacsoport

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(via chat)

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Bundesministerium für Umwelt, Naturschutz, Bau und Reaktorsicherheit

Europäische Klimaschutzinitiative EUKI

Green Stimulus Package

German examples of how (not) to invest in the green transition

Berlin, 15 June 2020
Matthias Runkel

Forum Ökologisch-Soziale Marktwirtschaft

Germany‘s recovery plan





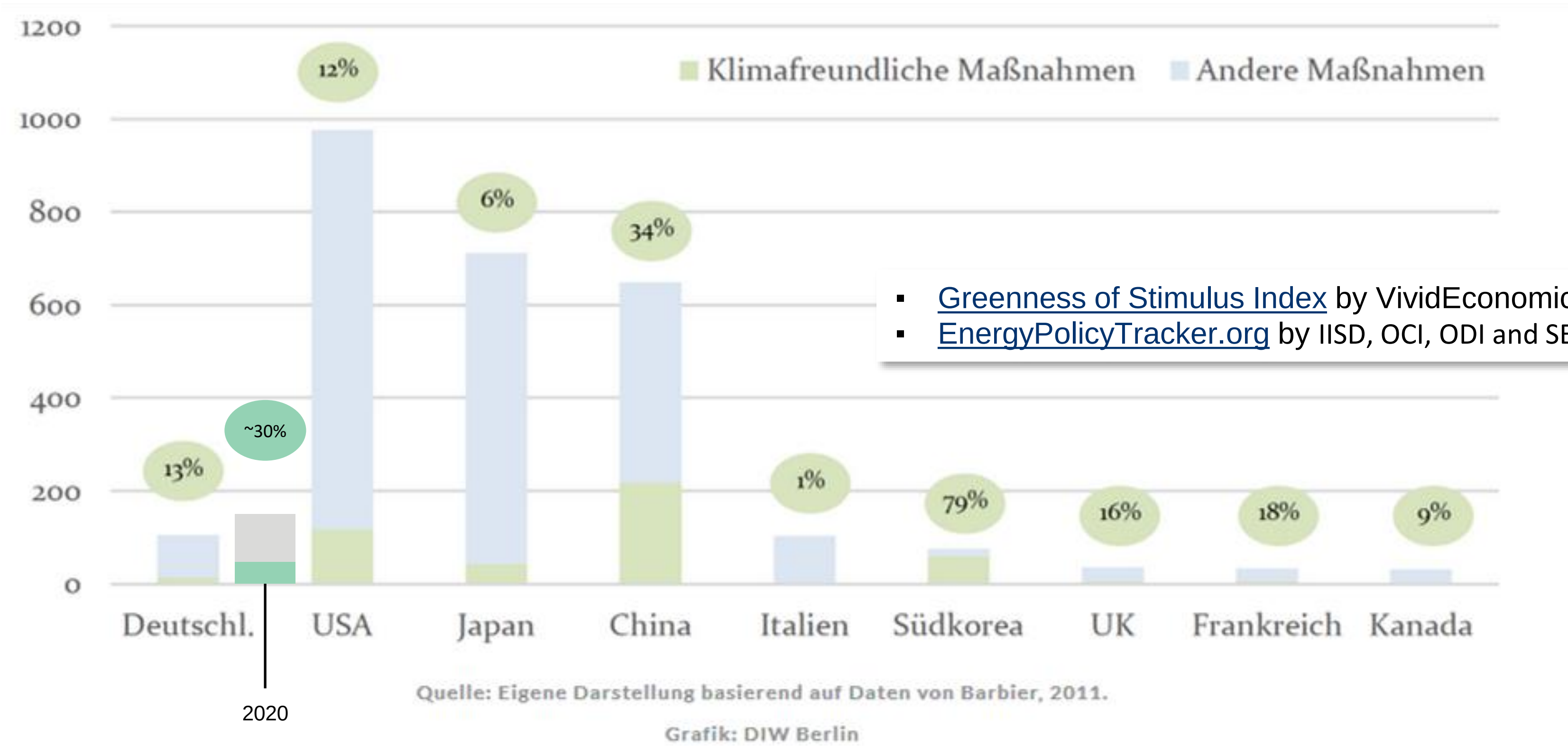
Sector	Measure	bn. Euro	ÖI*	WI*	**Green Deal**
Energy	3. Reduction of EEG levy in 2021-2022	11		--/+	
	20. Local authorities: reduction of own contribution to national climate protection initiative	0.1		++	
	38. Regulatory measures: Abolition of photovoltaic limit, target for offshore wind power, changed regulation on minimum distances for wind turbines			-	
Heating	39. CO2-efficient modernisation of buildings	2		++	‘renovation wave‘
Industry	36. Hydrogen Strategy	7		++	Hydrogen strategy
	37. Hydrogen multilateral partnerships	2			Low carbon steel
Transport	21-22. Public transportation financing 2020	2.5		+	
	35g. Additional equity Deutsche Bahn AG	5		+++	
	35c. Investments in the future automotive industry	2		+/0	
	35a. Motor vehicle tax reform	n.q			
	35b. Doubling of environmental bonus for EV (incl. PHEV)	2.2		++/-	
	35. Fleet renewal				
	– 35d. charitable / non-profit organisations	0.2		++	
	– 35e. craftsmen and SMEs (up to 7.5t)	n.q.		++	
	– 35k. shipping	1		++	
	– 35j. heavy commercial vehicles Euro 6 trucks (EU funding)			0	
	– 35i. Bus and truck fleet modernization	1.2		++	
	– 35l. efficient aircraft	1		0	
	35f. Recharging infrastructure, R&D e-mobility and battery	2.5		++	complementary
Agriculture	55. Investments in farm renovation (animal welfare)	0.3		+/--	
	17. sustainable management of forests	0.7		++	Forest strategy
Total		**42**			

Green public recovery investments in your country?

*ÖI: https://www.oeko.de/fileadmin/oekodoc/Impulse-nachhaltiges-Konjunkturpaket-DBU-Salon.pdf
*WI: https://wupperinst.org/fa/redaktion/downloads/publications/Corona-Konjunkturmassnahmen.pdf

Share of green measures (EU: 25% target)

in 2008 (G7 countries, South Korea and China; in bn US Dollar) (DIW 2020)



- Greenness of Stimulus Index by VividEconomics
- EnergyPolicyTracker.org by IISD, OCI, ODI and SEI (soon)

How (not) to invest in the green transition

Sector	Measure	bn. Euro
Other	1. Temporary VAT-reduction	20
	10. Speed up investments (i.a. digitalization and defence)	

Missing out on some key Green Deal objectives and strategies…

- Circular Economy Action Plan
- Farm to Fork Strategy
- Biodiversity Strategy
- Cycling
- Taxonomy for sustainable investment
- FFS phase-out
- …

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What do you recommend Civil Society do to:

Improve EGD compatible CAP funding?

- Try and get the farming lobby on board, try and link to ‘self sufficiency’ and sustainability (financial) of agriculture
- fix agri funding on green production not on area + green infrastructure in country + independent advisory system, best{bad practice exchange on sustainable agriculture, forestry and fishery in EU

Make Partnership Agreements work?

- strong partnership principle fairly covering all important stakeholders, incl. NGOs`
- EU support for NGOs capacities involved in EU funds programming and monitoring

improve nat. investment in green transition?

- Stress the S Korea % as the goal
- identify and lobby for win-win measures (economic and climate impact)
- decrease pollution as a conditionality for any investment 1
- learn from member state experiences (many good and bad examples to learn from)

An EU Budget to address the Climate Emergency: How to fund a Green New Deal for Europe

Webinar Agenda

Don’t forget wider incentives nationally – examples of carbon tax progress

Barbara Mariani, EEB

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Economic policy instruments: more is needed

Taxes (carbon taxes may be economy-wide)				
Energy	Transport	Buildings	Industry	Agri/Forestry
Carbon taxes	Fuel taxes Congestion charges, vehicle registration fees, road tolls Vehicle taxes	Carbon and / or energy taxes (either sectoral or economy wide)	Carbon tax or energy tax Waste disposal taxes or charges	Fertilizer or Nitrogen taxes to reduce nitrous oxide

Subsidies				
Energy	Transport	Buildings	Industry	Agri/Forestry
Fossil fuel subsidy removal **Feed-in-tariffs for renewable energy**	Biofuel subsidies Vehicle purchase subsidies Feebates	Subsidies or tax exemptions for investment in efficient buildings, retrofits and products Subsidized loans	Subsidies (e. g., for energy audits) Fiscal incentives (e. g., for fuel switching)	Credit lines for low carbon agriculture, sustainable forestry.

- Member States must significantly step up their efforts to achieve their 2030 **non-ETS targets** under higher 2030 GHG reduction ambition
- Efficient and effective climate protection requires a CO2-price; this is currently missing across large parts of transport, heat (buildings) and agriculture. Unstable and insufficient EU ETS price to drive energy and industry decabonisation.

Economic policy instruments: more is needed

Regulatory approaches				
Energy	Transport	Buildings	Industry	Agri/Forestry
Efficiency or environmental performance standards **Renewable Portfolio Standards for renewable energy** **Equitable access to electricity grid** **Legal status of long-term CO2 storage**	Fuel economy performance standards Fuel quality standards GHG emission performance standards Regulatory restrictions to encourage modal shifts (road to rail) Restriction on use of vehicles in certain areas Environmental capacity constraints on airports Urban planning and zoning restrictions	Building codes and standards Equipment and appliance standards Mandates for energy retailers to assist customers invest in energy efficiency	Energy efficiency standards for equipment Energy management systems (also voluntary) Voluntary agreements (where bound by regulation) Labelling and public procurement regulations	National policies to support REDD+ including monitoring, reporting and verification Forest law to reduce deforestation Air and water pollution control GHG precursors Land-use planning and governance

Economic policy instruments: two cases

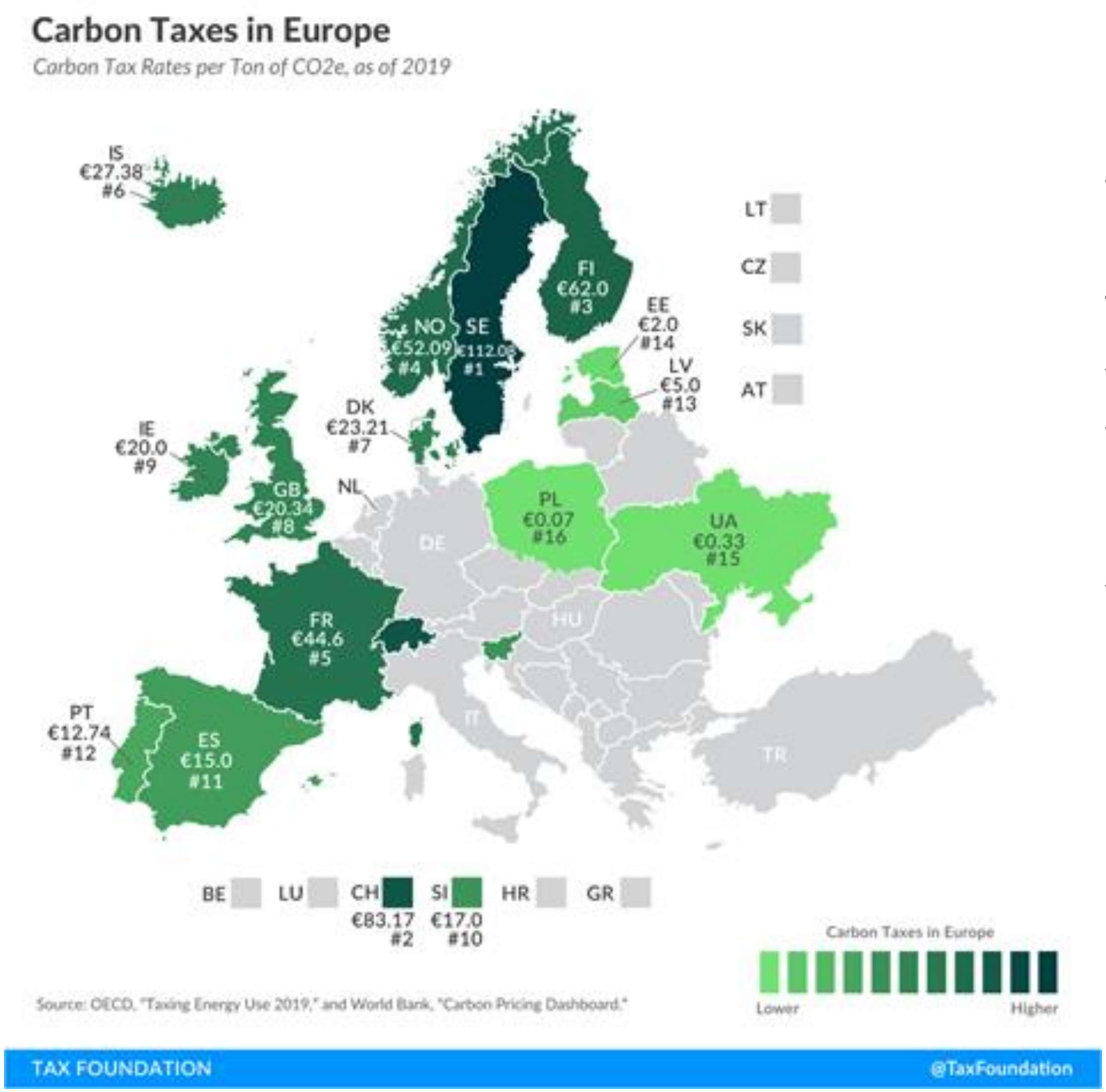
The Netherlands

- Proposal for a national levy on CO2 to guarantee 14.3 Mton emissions reductions in **industry** by 2030
- Scope: all ETS sectors
- Concept: the national carbon price + the ETS carbon price would be higher than the costs of taking the measures, in order to push industries to decarbonize. (For a reduction of 15 Mton a carbon price of 84 EUR/ton would be needed). Starts with 30EU/CO2ton in 2021 to 125-150EU/CO2ton in 2030. Revenues will be invested to help industry decarbonise. Our Dutch member **Natuur & Milieu** supports the measures

Germany

- Proposal for future ETS system for transport and heating
- Scope: Transport and heating fuels not covered by EU ETS. Companies that put fuels into circulation or suppliers of the fuels (upstream approach) will be priced - about 4,000 companies will participate Introductory phase (2021 – 2025).
- Concept: surrender of certificates at fixed price with the price rising annually by 5-10 Euro/CO2ton. Emissions trading within price corridor (2026). Price floor and optional ceiling (from 2027). Revenues used to reduce electricity costs, increase a tax allowance for commuters, increase housing allowance by 10%

Carbon taxes in Europe



Sweden levies the highest carbon tax rate at €112.08 (US$ 132.17) per ton of carbon emissions, followed by **Switzerland** (€83.17, $98.08) and **Finland** (€62.00, $73.11).

You'll find the lowest carbon tax rates in **Poland** (€0.07, $0.08), **Ukraine** (€0.33, $0.39), and **Estonia** (€2.00, $2.36).

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Given the current Covid crisis situation, what economic instruments would be more effective/feasible to raise public money and reinvest into climate/wider environmental purposes and what is you experience with them at national level?

What would you like to see happen?

The removal of environmentally harmful subsidies and the internalisation of external costs must be enabling conditions for receiving EU money

The business sector traditionally prefers EU ETS measures rather than national fiscal measures. Could we promote

What is our position on increasing EU Budget Own Resources? This could be a new opporunity as the EU Commission has presented a similar proposal two years ago.

Border carbon tax must be introduced. THe EU imports a lot of CO2!

There are taxes which function more or less as carbon taxes but they are not named carbon taxes, e.g. distance-based road tolls. THese must be promoted, too!

T&E opposes the inclusion of transport into the ETS! So, be careful about this. https://www.transportenvironment.org/sites/te/files/publications/t_and_e_consultation_road_transporten.pdf

we need co2-based car registration taxes in all member states (DE, LUX, e.g. still missing). Best practice: NL, PT. https://foes.de/pdf/2018-03_FOES_vehicle%20taxation.pdf

It could be useful to exchange best practices in national fiscal measures to promote low-carbon alternatives.

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CLIMATE CHANGE AND THE EU'S BUDGET 2021-2027

Thank you!

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Green Budget Europe (GBE) and the European Environmental Bureau (EEB), in collaboration with three partner organisations – Climate Action Network Europe (CAN Europe), Green Budget Germany (GBG) and Clean Air Action Group (CAAG, Hungary) – is carrying out the project "MFF for the Climate" with the aim to compile proposals for EU decision-makers for making the next Multiannual Financial Framework (MFF) climate-friendly. The project is financed by the German Climate Initiative (EUKI). The European Climate Foundation and the Heinrich Böll Foundation have provided some co-funding.

Supported by:

Federal Ministry for the Environment, Nature Conservation and Nuclear Safety

European Climate Initiative EUKI

HEINRICH BÖLL STIFTUNG

based on a decision of the German Bundestag

The European Climate Initiative (EUKI) is a project financing instrument by the German Federal Ministry for the Environment, Nature Conservation and Nuclear Safety (BMU). Its implementation is supported by the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH. It is the overarching goal of the EUKI to foster climate cooperation within the European Union (EU) in order to mitigate greenhouse gas emissions.

The Recovery Plan for Europe

- **Next Generation EU:** new recovery instrument of **€750bn** to boost the EU budget with new financing raised on financial markets for **2021-2024**
- **Reinforced long-term EU budget** : **2021-2027 (€1100bn)**
- **Mechanisms supporting MS:**
  - Recovery and Resilience facility
  - Recovery Assistance for Cohesion and the Territories of Europe - REACT-EU
  - Reinforced rural development programmes
  - Reinforced Just Transition Mechanism

Mechanisms kick-starting the economy and helping private investment:

- Solvency Support Instrument
- Strategic Investment Facility
- Strengthened InvestEU programme