

### POLICY POSITION

## Delivering a Strong European **Green Deal in Stormy Times**











#### INTRODUCTION

The European Green Deal (EGD) is the cornerstone of the European Union's (EU) commitment to combat the triple planetary crisis – climate, biodiversity and pollution – and to accelerate its green and just transition. As a result of the 2024 elections, the grand coalition (EPP, S&D, Renew Europe, Greens/EFA) was able to assert itself and the President of the European Commission, Ursula von der Leyen, made a clear commitment to delivering the EGD in the political guidelines for the next European Commission.

However, extremist political forces and anti-environmental movements have gained considerable ground. As the EU faces multiple economic, geopolitical and political challenges, in addition to the rise of these forces, the urgency of addressing the climate crisis must not take a back seat. Rolling back or diluting the EGD's policies, as was attempted towards the end of the last mandate, would not only put our climate, biodiversity, economy and prosperity at great risk, but it would also undermine Europe's leadership in global climate action. It is therefore imperative that the EU institutions raise ambition and prioritise enforcement and implementation, underpinned by increased competitiveness, to ensure a green and just transition to climate neutrality, zero pollution and the 1.5degree target of the Paris Agreement.

# REAFFIRMING THE GREEN AND JUST TRANSITION AS A TOP PRIORITY

With the election of the new European Parliament, the balance of power has shifted, and political movements that are openly critical of environmental protection have made strong gains and heavily influenced the political and public debate. A concerted and united effort is needed to ensure that the EGD remains a political priority and to counter the narratives of antienvironmental movements.

Major awareness-raising campaigns need to be launched at local, national, and EU levels, highlighting the severe environmental, social, and economic risks posed by the triple climate, biodiversity and pollution crisis. At the same time, these campaigns should demonstrate that the EGD is key to ensuring a secure and prosperous future for all and need to effectively counter detrimental narratives. The EGD is the EU's most powerful tool to protect its people and further increase energy independence and resilience. There is no viable alternative, let alone time to consider one.

### ENSURING AN AMBITIOUS AND INCLUSIVE IMPLEMENTATION

We must not only reaffirm the EGD as a top political priority, but also ensure and monitor the rigorous enforcement and The 2021 European Climate Law set an EU-wide, legally binding target of netzero greenhouse gas (GHG) emissions by 2050, with an interim goal of a 55% reduction by 2030. In February 2024, the European Commission proposed a new 2040 climate target, recommending a 90% reduction in GHG emissions by then. Setting an ambitious 2040 interim target is essential. It reaffirms the EU's commitment to tackling climate change while laying the groundwork for action beyond 2030.

However, to keep the 1.5°C target of the Paris Agreement within reach, the EU not only must step up its efforts to be more competitive on the international stage, but also be more ambitious, aiming for a 65% reduction in GHG emissions by 2030 and achieving net-zero emissions by 2040. For this reason, we call upon the new Commission to propose legislation enshrining the 65% by 2030 and 100% by 2040 targets in the European Climate Law.

The 'Fit for 55' package, a set of revised and new legislative measures designed to meet the 2030 target, is projected to achieve a 57% GHG reduction. The revision of the Energy Taxation Directive (ETD), in force since 2003, remains the final legislative component under the 'Fit for 55' package awaiting completion. We urge co-legislators to swiftly finalise an agreement that aligns the ETD with the EU's climate goals, ensuring it provides strong incentives for renewable energy

across the internal market.

The legal framework for the 2030 target is largely in place, but success hinges on effective implementation through the National Energy and Climate Plans (NECPs). NECPs are thus of critical importance for the EU's climate action and green transition. By June 30, 2024, Member States were required to update their NECPs to reflect the heightened energy and climate objectives. The Commission's review of the draft NECPs showed a projected reduction of only 51%, falling short of the EU's target of 55% by 2030, let alone a favourable target of 65%, and thus the 1.5°C objective.

Member States need to step up their efforts. This gap is alarming and demands immediate corrective action. We call upon the Commission to ensure that Member States submit transparent, ambitious NECPs that meet, preferably exceed, the 55% reduction target, with clear and progressive objectives. Strong NECPs will also bolster the Union's credibility as a climate leader at the international level.

Public participation, transparency, and inclusivity in the development of NECPs are crucial for their success. The Commission must enforce compliance with legislation mandating public consultation, as required in the Regulation on the Governance of the Energy Union and Climate Action (Governance Regulation), the Aarhus

Convention, and the Commission's guidance to Member States for the update of the 2021-2030 NECPS.
Enforcing these legal frameworks will enhance accountability, foster trust, and ensure that diverse voices are heard in shaping climate policies.

#### LEAVING NO ONE BEHIND

As the EGD progresses, it is vital to ensure that no one is left behind. The European Commission, the European Parliament and the Council of the EU must prioritise the social aspects of the green transition, focusing on the specific needs and concerns of those most affected, such as vulnerable groups, people living in rural areas and workers in high-carbon industries. This includes clear guidance and a substantial increase in public investment to take account of the rising social costs of the transition. There is also an urgent need for targeted support to workers who need new and better skills, to sectors and to SMEs who may face increased costs and challenges during the transition. Significant investments in the labour market and training programmes are essential to facilitate the shift to green jobs and to assist SMEs in adopting sustainable practices.

Achieving broad societal support is key to the success of the green and just transition. This requires transparent and collaborative decision-making and, above all, greater involvement of citizens. To

this end, organised civil society needs a stronger voice and representation through structured dialogue and deliberation. This would give legitimacy to policies and ensure that EU funding and investments are aligned with the objectives of the EGD. Additionally, we need to explore more innovative, inclusive, and participatory approaches to shaping policy and debate. Building on exemplary formats such as the Conference on the Future of Europe (CoFoE), the European Citizens' Panels organised by the Commission, and the REAL DEAL project, we need to extend and strengthen these initiatives and ensure that they feed into policy-making. Such efforts would not only strengthen the EU's connection with the people and increase public support, but also lead to more effective and democratically legitimate policies.

### EMPOWERING VULNERABLE GROUPS

Vulnerable groups are disproportionately affected by the climate crisis and often lack the resources to cope with its impacts. As we move towards a green and just transition, it is imperative that these groups receive substantial and meaningful support, especially in the face of rising anti-democratic forces. The EGD must become more accessible to these communities through targeted awareness campaigns that clearly communicate its objectives and demonstrate tangible benefits for

Ehistorically marginalised groups, such as persons with disabilities, the elderly, indigenous communities, children, women, migrants, ethnic minorities, and workers displaced by the transition.

Inclusive and diverse participation is crucial to empowering vulnerable groups. Open platforms for public consultation, local fora, and mechanisms that ensure marginalised voices are heard must be created to enable these communities to influence decision-making processes meaningfully. Strong participation will allow for greater representation of their needs and concerns within the broader context of the green transition.

### BOOSTING PUBLIC AND PRIVATE INVESTMENT

A just and equitable transition requires a strong public welfare system supported by substantial public investment. Providing a comprehensive safety net including access to unemployment benefits, healthcare, and social support will help vulnerable groups become more economically integrated and resilient in the face of ongoing environmental and social changes. The EU must further ensure that low-income households can access energy-efficient housing, renewable energy solutions, and lowcarbon mobility options. Affordable public transport, electric car-sharing schemes, and modernised energy grids

fare essential for guaranteeing that no one is left behind. This effort will necessitate significant investment in collective infrastructure. Financial instruments to support vulnerable groups in this context, such as the Social Climate Fund (SCF), need to be scaled up to provide effective support and their use needs to be firmly aligned with the EU's climate goals. Regions and SMEs that are structurally disadvantaged need special attention and improved support mechanisms, such as the Just Transition Fund (JTF), as part of the broader Just Transition Mechanism (JTM).

Public spending needs to be enhanced not only to facilitate a just transition but also to finance economic decarbonisation. Leading economists have pointed to a significant shortfall in public investment over the coming years, making the question of increasing the EU's own resources ever more pressing. A larger share of own resources in the EU budget would allow greater flexibility in designing and implementing policies, creating a clearer link between the EU's objectives and its budget, rather than relying predominantly on Member States' contributions. Treaty change is urgently needed to address this matter. A key way to achieving a bigger EU budget is by increasing the EU's borrowing capacity. We thus urge Member States to overcome their differences and reach a compromise that allows for more joint debt issuance. This would provide critical resources through borrowing while

enhancing financial and monetary stability by reducing contagion risks between sovereign states and the banking system.

The EU's own resources are embedded within the framework of the Multiannual Financial Framework (MFF), the EU's long-term budget plan. The mid-term review of the current MFF (2021-2027), published in February 2024, marked a significant milestone as it was the first to result in a net increase in the spending ceilings. Given the looming climate crisis and the public spending gap, the negotiations on and the adoption of the next MFF must prioritise strong commitments to the green and just transition and a further increase in the spending ceilings in this area.

While public investment is crucial, it alone will not be sufficient to meet the immense financial demands of this transformation. It is essential to mobilise additional private sector investment to complement public funding and accelerate the pace of progress. The European Green Deal Investment Plan (EGDIP) and its associated programmes such as InvestEU and the Modernisation and Innovation Funds provide a strong foundation for enabling sustainable investments. However, the current EU fiscal framework, rising interest rates, and the looming end of Next Generation EU (NGEU) funding in 2026 threaten to limit Member States' fiscal capacity to support the green

transition. We thus call upon the EU institutions to renew the NGEU funding programme and strengthen the EGDIP by adopting stronger mechanisms to incentivise and de-risk private sector investment in sustainable projects. This should include expanding targeted derisking mechanisms, promoting green finance markets, and providing tailored support for SMEs, local-level and public-private partnerships.

### INVESTING IN A FUTURE-PROOF, SUSTAINABLE LABOUR MARKET

Education and training are key elements to ensuring a fair and equitable green transition. The EU must prioritise substantial investment in learning and mobility programmes, especially for vulnerable groups, citizens from disadvantaged regions or those facing increased challenges. These efforts should be coupled with targeted investments in de-industrialised areas, supporting economic and industrial conversion. This approach should also foster a more inclusive environment that promotes entrepreneurship for all groups in society, regardless of age, gender, and cultural background. But as the transition will inevitably cause major disruptions in the labour market and many people will lose their jobs, substantial public investment will be needed to address this.

To meet the challenges facing workers in high-carbon industries, the EU needs to

pimplement improved inclusive transition policies. These policies should provide long-term upskilling and reskilling opportunities, helping workers acquire skills relevant to the green industries of the future, while also ensuring that these transitions do not disproportionately impact them.

Additionally, the creation of high-quality jobs with fair wages and strong collective agreements is crucial for sustaining a decent standard of living in a greening economy. This process must be rooted in a robust social dialogue that actively involves all key stakeholders, including social partners and public administration. The EU must also facilitate substantial private sector investment in sustainable and fair green jobs. At the same time, by tackling the gender gap in investment, promoting women innovators and entrepreneurs, and increasing the role of women in climate leadership, the EU can succeed in building a more equitable future for all.

### INSTITUTIONAL CHANGES ARE NEEDED

As highlighted above, the green and just transition needs to be underpinned by sound social policies, in particular regarding social security and social protection of workers, to effectively address the significant socio-economic challenges it poses. The Commission and the co-legislators have a common responsibility to ensure that these

cchallenges are met in a timely, pragmatic, and equitable manner.

To achieve this, it is essential that the EU Treaties be amended to enhance the Union's capacity to act decisively in areas where competences have been conferred to? the EU. Social policy, an area of shared competence between the EU and Member States, often faces significant hurdles because it requires unanimity in the Council, giving a single Member State the power to veto important measures. We therefore urge the EU institutions to transition from unanimity to qualified majority voting (QMV) in social policy and other key areas where the EU holds competences. This change is not only necessary to overcome the paralysis caused by the unanimity rule but also to ensure that the EU can respond effectively and swiftly to the evolving needs of its citizens. By moving to QMV, the EU can foster a more democratic, inclusive, and resilient Union, capable of delivering on its commitments. We therefore call upon the European Council to take on its responsibilities and react to the European Parliament's resolution calling for Treaty changes, adopted on 22 November 2023, and to convene a Convention to reform the Treaties, as per Article 48 of the Treaty on the European Union (TEU).

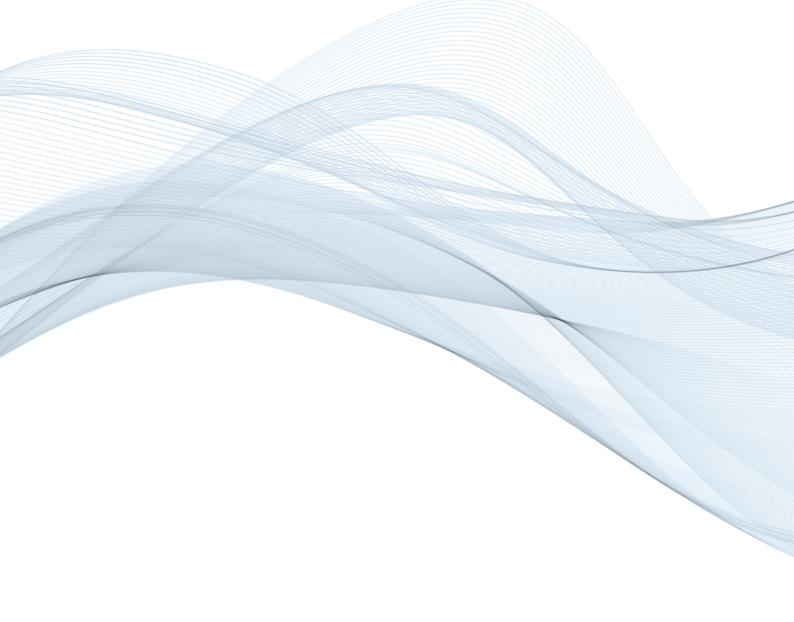
#### CONCLUSION

The future of the EGD is at a critical juncture. In these stormy times, it is vital that we unite across political and societal lines to ensure further necessary ambition and its successful enforcement and implementation. The EGD offers a vision of a Europe that is not only climate-neutral, nature positive, and pollution-free, but also more prosperous, equitable, and resilient. We call upon the EU institutions, its Member States, as well as all stakeholders — citizens, businesses, civil society, and governments — to actively support and advance the EGD.

Together, we can ensure a united, secure and thriving future for Europe and the planet.

#### **WANT TO KNOW MORE?**

Only by working together can we provide common solutions to the challenges Europe faces and ensure that Europeans' ambitions mirror the future work of the European Union. By bringing our member organisations together in our Political Committees, we continuously develop new policy positions and put existing ones to good use. Please visit our website www.europeanmovmement.eu to take a look at our main policy positions that guide our current work and get in touch if you would like to join us or support our work.





### **European Movement International**

www.europeanmovement.eu Place du Luxembourg 2 B-1050 Brussels, Belgium secretariat@europeanmovement.eu











