DOI: https://www.doi.org/10.36719/2663-4619/78/183-188

Mehdi Yusif Asgarov
Baku State University
master
mexdiasgerovv@gmail.com

THE IMPORTANCE AND THE MAIN ELEMENTS OF THE "EU GREEN DEAL"

Abstract

The European Green Deal is a key new growth strategy for the EU's transition to a sustainable economic model. The Commission's President Ursula von der Leyen presented on 11 December 2019 the European Green Deal, the overarching objective of the EU Green Deal is for the EU to become the first climate neutral continent by 2050, resulting in a cleaner environment, more affordable energy, smarter transport, new jobs and an overall better quality of life. There are a number of funding mechanisms in place to facilitate the EU Green Deal, totalling over €1 trillion. This investment funds the delivery of the policy reform needed for the EU's economic growth and climate neutrality.The Green Deal is a new growth strategy to make the EU's economy sustainable and create sustainable industry and transport, without leaving anyone behind. A European Climate Law havs an aim to turn this political commitment into a legal obligation. The Green Deal is a step towards a more holistic and integrated approach to address climate and environment-related challenges..The EU Green Deal is to review each existing law on its climate merits, and also introduce new legislation on the circular economy, building renovation, biodiversity, farming and innovation.

Key words: *The EU Green Deal, Eliminating pollution, Clean energy, Climate change, Research and Devolopment*

Mehdi Yusif oğlu Əsgərov

"Avropa yaşıl sövdələşmə"nin əhəmiyyəti və əsas elementləri

Xülasə

"Avropa Yaşıl Sövdələşmə" Avropa İttifaqı iqtisadiyyatını dayanıqlı iqtisadi modelə keçid üçün Avropa İttifaqının əsas yeni artım strategiyasıdır. Avropa Komissiyasının Prezidenti Ursula von der Leyen tərəfindən 11 dekabr 2019-cu il tarixində təqdim edilən "Avropa Yaşıl Sövdələşmə"nin əsas məqsədi Aİ-nin 2050-ci ilə qədər ilk neytral iqlim qitəsinə çevrilməsi, nəticədə daha təmiz ətraf mühit, sərfəli enerji, ağıllı nəqliyyat, yeni iş yerləri və ümumilikdə daha yaxşı həyat keyfiyyəti ilə nəticələnməlidir. "Avropa Yaşıl Sövdələşmə"ni asanlaşdırmaq üçün ümumi dəyəri bir trilyon avrodan çox olan bir sıra maliyyələşdirmə mexanizmləri mövcuddur. Bu investisiya Avropa İttifaqının iqtisadi inkişafı və iqlim neytrallığı üçün lazım olan siyasət islahatının həyata keçirilməsini maliyyələşdirəcək."Avropa Yaşıl Sövdələşmə" iqlim və ətraf mühitlə bağlı problemləri həll etmək üçün daha vahid və inteqrasiya olunmuş yanaşmaya doğru bir addımdır. O, həmçinin davamlılıq və iqlim dəyişikliyinə həsr olunmuş bir neçə mövcud siyasəti, təşəbbüsləri və maliyyələşdirmə proqramlarını bir araya gətirərək və təkmilləşdirməklə ətraf mühit siyasətini əsas istiqamətə yönəltməyə çalışır.

Açar sözlər: *Avropa Yaşıl Sövdələşmə, çirklənmənin aradan qaldırılması, təmiz enerji, iqlim dəyişikliyi, tədqiqat və İnkişaf*

Introduction

The European Green Deal, approved 2020, is a set of policy initiatives by the European Commission with the overarching aim of making the European Union (EU) climate neutral in 2050.The overarching aim of the European Green Deal is for the European Union to become the world's first "climate-neutral bloc". It has goals extending to many different sectors, including construction, biodiversity, energy, transport and food. An impact assessed plan will also be presented to increase the EU's greenhouse gas emission reductions target for 2030 to at least 50% and towards 55% compared with 1990 levels. The

plan is to review each existing law on its climate merits, and also introduce new legislation on the circular economy, building renovation, biodiversity, farming and innovation (1)

The proposed financing of the EU Green Deal is set out in the EU Green Deal Investment Plan. It comprises two principal financing streams totalling €1 trillion. Over half of the budget, €528 billion, will come directly from the EU budget and the EU Emissions Trading System. The remainder will be sourced through the InvestEU programme, which combines €279 billion from the public and private sectors to 2030 and €114 billion from national co-financing. It will provide an EU budget guarantee to allow the EIB Group and others to invest in higher-risk projects, enabling private investment. The European Innovation Council has also set aside a €300 million budget to invest in market-creating innovations that contribute to the goals of the EU Green Deal.

There is recognition in the EU Green Deal that transition can only succeed if it is conducted in a fair and inclusive way. As a result, a Just Transition Mechanism is proposed to exclusively focus on the regions and sectors that are most affected by the transition. It draws upon both the EU budget and InvestEU programme to generate €100 billion of funding. This will be available for the regions and sectors that depend on fossil fuels or carbon-intensive processes (1)

The European Green Deal is a response to these challenges. It is a new growth strategy that aims to transform the EU into a fair and prosperous society, with a modern, resource-efficient and competitive economy where there are no net emissions of greenhouse gases in 2050 and where economic growth is decoupled from resource use.

To deliver the European Green Deal, there is a need to rethink policies for clean energy supply across the economy, industry, production and consumption, large-scale infrastructure, transport, food and agriculture, construction, taxation and social benefits. To achieve these aims, it is essential to increase the value given to protecting and restoring natural ecosystems, to the sustainable use of resources and to improving human health. This is where transformational change is most needed and potentially most beneficial for the EU economy, society and natural environment (12) The EU should also promote and invest in the necessary digital transformation and tools as these are essential enablers of the changes.

The plan includes potential carbon tariffs for countries that don't curtail their greenhouse gas pollution at the same rate. The mechanism to achieve this is called the Carbon Border Adjustment Mechanism (CBAM). It also includes:

1. a circular economy action plan;
2. a review and possible revision (where needed) of the all relevant climate-related policy instruments, including the Emissions Trading System;
3. a Farm to Fork strategy along with a focus shift from compliance to performance (which will reward farmers for managing and storing carbon in the soil, improved nutrient management, reducing emissions, ...); (6)
4. a revision of the Energy Taxation Directive which is looking closely at fossil fuel subsidies and tax exemptions (aviation, shipping);
5. a sustainable and smart mobility strategy and;
6. an EU forest strategy. The latter will have as its key objectives effective afforestation, and forest preservation and restoration in Europe.

It also aims to protect, conserve and enhance the EU's natural capital, and protect the health and well-being of citizens from environment-related risks and impacts.

The deal aims to achieve three main goals. First, it focuses on achieving net-zero emissions by proposing specific strategies that can help curb emissions across all sectors, with a strong focus on energy, which makes up more than 75% of total EU-27's greenhouses gas. The objective is to increase the share of renewable energy in the EU's energy mix (10)

Second, it plans to decouple growth from resource exploitation. While reductions in emissions have been achieved in the last decade, Europe remains one of the major contributors of resource consumption in the world. Described as a "generation-defining task," achieving this objective will not only require a boost in technological advancements but also rethinking lifestyles, communities, and societies (13)

Third is the need to foster an inclusive green transition and to leave none behind, supported through the Just Transition Mechanism, which will provide between 65€ and 75€ billion over the period of 2021-2027 to alleviate the socio-economic impacts of the transition.

The main elements of the EU Green Deal are:

Climate action - Between 1990 and 2018, greenhouse gas emissions in the EU were reduced by 23 percent. A central objective of the EU Green Deal is to set out the trajectory for the EU to be climate neutral by 2050. As a milestone towards this target, the EU Commission proposed a 2030 target to reduce greenhouse gas emissions by 55 per cent compared to 1990. This 2030 target is proposed to be reflected in a European Climate Law, which will also enshrine the 2050 climate neutrality objective of the EU Green Deal in legislation (2)

The European Climate Law requires that all EU policies contribute to achieving the EU Green Deal objective. As a result, the EU Commission are reviewing every EU law to ensure its alignment with the EU emission reduction targets, under an exercise termed the "Fit for 55 package". This lengthy process has already begun. A selection of the key legislation that the EU Commission proposes to revise in light of the revised emissions reduction target is:

- the Renewable Energy Directive;
- the Energy Efficiency Directive;
- the Emissions Trading System;
- the Effort Sharing Regulation;
- the Land Use, Land Use Change and Forestry Regulation;
- the Energy Performance of Buildings Directive; and
- the Energy Taxation Directive.

Clean energy - Climate neutrality by the year of 2050 is the main goal of the European Green Deal. For the EU to reach their target of climate neutrality, one goal is to decarbonise their energy system by aiming to achieve "net-zero greenhouse gas emissions by 2050". Their relevant energy directive is intended to be looked over and adjusted if problem areas arise. Many other in place and present regulations will also be reviewed. In 2023, the Member states will update their climate and national energy plans to adhere to the EU's climate goal for 2030. The key principles include: "to prioritise energy efficiency", "to develop a power sector based largely on renewable resources", "to secure an affordable EU energy supply", "fully integrated, interconnected digitalised EU energy market" (8)

In 2020, the European Commission unveiled its strategy for a greener, cleaner energy future. The EU Strategy for Energy System Integration serves as a framework for an energy transition, which comprises measures to achieve a more circular system, and measures to implement greater direct electrification as well as to develop clean fuels (including hydrogen). The European Clean Hydrogen Alliance has also been launched as hydrogen has a special role to play in this seismic shift.

Sustainable industry - Another target area to achieve the EU's climate goals is the introduction of the Circular Economy Industrial policy. In March 2020, the EU announced their Industrial Strategy with its aim to "empower citizens, revitalises regions and have the best technologies." Key points of this policy area include boosting the modern aspects of industries, influencing the exploration and creation of "climate neutral" circular economy friendly goods markets. This further entails the "decarbonisation and modernisation of energy-intensive industries such as steel and cement." 'Sustainable products' policy is also projected to be introduced which will focus on reducing the wastage of materials. This aims to ensure products will be reused and recycling processes will be reinforced. The materials particularly focused on include "textiles, construction, vehicles, batteries, electronics and plastics". The European Union is also of the opinion that it "should stop exporting its waste outside of the EU" and it will therefore "revisit the rules on waste shipments and illegal exports". The EU also mentioned that the Commission will also propose to revise the rules on end-of-life vehicles with a view to promoting more circular business models (3)

Buildings and renovations - This policy area is targeting the process of building and renovation in regards to their currently unsustainable methods. Many non-renewable resources are used in the process as well. Thus, the plan focuses on promoting the use of energy efficient building methods such as

climate proofing buildings, increasing digitalisation and enforcing rules surrounding the energy performance of buildings. Social housing renovation will also occur in order to reduce the price of energy bills for those less able to finance these costs. They aim to triple the renovation rate of all buildings to reduce the pollution emitted during these processes.

Another target area to achieve the EU's climate goals is the introduction of the Circular Economy Industrial policy. In March 2020, the EU announced their Industrial Strategy with its aim to "empower citizens, revitalises regions and have the best technologies." Key points of this policy area include boosting the modern aspects of industries, influencing the exploration and creation of "climate neutral" circular economy friendly goods markets. This further entails the "decarbonisation and modernisation of energy-intensive industries such as steel and cement."(4)

A 'Sustainable products' policy is also projected to be introduced which will focus on reducing the wastage of materials. This aims to ensure products will be reused and recycling processes will be reinforced. The materials particularly focused on include "textiles, construction, vehicles, batteries, electronics and plastics." The European Union is also of the opinion that it "should stop exporting its waste outside of the EU" and it will therefore "revisit the rules on waste shipments and illegal exports" The EU also mentioned that "the Commission will also propose to revise the rules on end-of-life vehicles with a view to promoting more circular business models.

Sustainable mobility - A reduction in emissions from transportation methods is another target area within the European Green Deal. A comprehensive strategy on "Sustainable and Smart mobility" intends to be implemented. This will increase the adoption of sustainable and alternative fuels in road, maritime and air transport and fix the emission standards for combustion-engine vehicles. It also aims to make sustainable alternative solutions available to businesses and the public. Smart traffic management systems and applications intend to be developed as a solution. Freight delivery methods aim to be altered, with preferred pathways being by land or water. Public transport alterations aim to reduce public congestion as well as pollution. Installations of charging ports for electric vehicles intends to encourage the purchase of low-emission vehicles. The 'Single European Sky' plan focuses on air traffic management in order to increase safety, flight efficiency and environmentally friendly conditions (7)

Eliminating pollution - The 'Zero Pollution Action Plan' that aims to be adopted by the commission in 2021 intends to achieve no pollution from "all sources", cleaning the air, water and soil by 2050. The Environment Quality standards are to be fully met, enforcing all industrial activities to be within toxic-free environments. Agricultural and urban industries water management policies will be overlooked to suit the "no harm" policy. Harmful resources such as micro-plastics and chemicals, such as pharmaceuticals, that are threatening the environment aim to be substituted in order to reach this goal. The 'Farm to Fork' strategy aids pollution reduction from excess nutrients and sustainable methods of production and transportation.

Farm to Fork - The 'From Farm to Fork' strategy pursues the issue of food sustainability as well as the support allocated to the producers, i.e. farmers and fishermen (5) The methods of production and transfer of these resources are what the E.U. considers a climate-friendly approach, aiming to increase efficiency as well. The price and quality of the goods will aim to not be hindered during these newly adopted processes. Specific target areas include reducing the use of chemical pesticides, increaesing the availability of health food options and aiding consumers to understand the health ratings of products and sustainable packaging.

Preserving biodiversity - A strategy surrounding the protection of the European Union's biodiversity put forth. Management of forests and maritime areas, environment protection and addressing the issue of losses of species and ecosystems are all aspects of this target area. Restoration of affected ecosystems is intended to occur through implementing organic farming methods, aiding pollination processes, restoring free flowing rivers, reducing pesticides that harm surrounding wildlife and reforestation. The EU wants to protect 30% of land and 30% of sea, whilst creating stricter safeguards around new and old growth forests. Their aim is to restore ecosystems and their biological levels.

The biodiversity strategy is an essential part of the climate change mitigation strategy of the European Union. From the 25% of the European budget that will go to fight climate change, a large portion of that will be dedicated to restoring biodiversity and nature based solutions.

Research and development - Research and development underpins each element of the EU Green Deal. Many of the EU Green Deal initiatives require harnessing new technologies, and transforming financial models and supply chains. Many research and development initiatives will be funded by Horizon Europe, which has pledged over 35 per cent of its €95.5 billion budget to achieving EU climate objectives. Under Horizon Europe, the EU will form green partnerships with various industries and its member states to focus on key areas such as batteries, clean hydrogen, low-carbon steel, the built environment and biodiversity (9)

Preventing unfair competition from carbon leakage - The EU Green Deal will require significant reorientation of the EU economy towards a low carbon model. This brings with it the risk of carbon leakage (11) The EU Commission has identified this as the risk that either production is transferred from the EU to other countries with lower ambition for emission reduction, or that EU products are replaced by more carbon-intensive imports. Carbon leakage is currently controlled by the free allocation of allowances under the EU ETS, or compensation for energy intensive industries impacted by higher electricity costs as a result of carbon pricing under the EU ETS. The EU Commission is therefore proposing a Carbon Border Adjustment Mechanism to ensure that the price of imports reflects more accurately their carbon content. This measure is proposed to be designed to comply with World Trade Organization rules and other international obligations of the EU.

Conclusion

The European Green Deal is the EU's ambitious and comprehensive plan to become the first climate neutral continent and fundamentally transform the European Economy.

Biodiversity, sustainable agriculture, preserving biodiversity clean energy, sustainable industry, building and renovating, sustainable mobility, eliminating pollution and climate action - the deal represents an unprecedented effort to review more than 50 European laws and redesign public policies.

The European Green Deal pursues ambitious environmental goals which require a green transformation of many sectors of society. The transformative potentialof Artificial Intelligence to contribute to the achievement of the goals of a green transition have been increasingly and prominently highlighted.

F. Sherwood Rowland, a chemist who shared a Nobel Prize for the discovery of the ozone hole, famously observed that work is going well, but it looks like it might be the end of the world . Footnote One should hope that the European Green Deal will not be just "work going well", but will initiate new substantive attitude towards environmental and climate considerations at the political, institutional, regulatory, administrative and individual levels. European Green Deal will undoubtedly trigger indirect or direct financial impact on all areas of the European Union economy and industry.

Yet, the green transition and its financing can only happen where it involves both the EU and State actors and the EU citizens who will agree to bear the costs and participate in the process, notably in the framework of the announced Climate Pact. The enhanced solidarity of the green transition towards climate neutrality should be a synonym of the European Green Deal.

References

1. Alicja S., European Green Deal – legal and financial challenges ofthe climate change, Article, 03 november 2020, pages 17;
2. European Commission, A Clean Planet for all, COM/2018/773;
3. European Commission, A New Industrial Strategy for Europe, COM/2020/102;
4. European Commission, A Renovation Wave for Europe – Greening our buildings, creating jobs, improving lives, COM/2020/662;
5. European Commission, Commission Work Programme 2021: A Union of vitality in a world of fragility, COM/2020/690;

6. EU Documents, Communication from the Commission. The European Green Deal, COM (2019) 640 Final; EU: Brussels, Belgium, 2019;
7. EU Documents, Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions. Sustainable Europe Investment Plan. European Green Deal Investment Plan, COM (2020) 21 Final; EU: Brussels, Belgium, 2020;
8. European Commission, The European Green Deal, COM/2019/640;
9. Gesellschaft & Wirtschaft. Klima: Politik & Green Deal | Technologie & Digitalisierung, Berlin, 2020, pages 272;
10. Jan H. Jans & Hans H.B. Vedder, European environmental law, Groningen, 2008, pages 496;
11. Langlet, David, Mahmoudi, Said, EU environmental law and policy, Oxford, 2016, pages 386;
12. Marjan Peeters & Mariolina Eliantonio, Research Handbook on EU Environmental Law, Northampton, 2020, pages 547;
13. Monika Hinteregger. Environmental liability and ecological damage in European law, Cambridge, 2008, pages 765.

Rəyçi: h.ü.f.d. Elnarə Mirzayeva

Göndərilib: 03. 04. 2022 Qəbul edilib: 09. 05.2022