

# Green Deal:

EU Business as Usual  
or

“Europe’s man-on-the-Moon  
moment”?

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# Interesting Fact

- The nickname is not entirely original
- UK – Energy Act (2011) – “Green Deal”
  - Rosenow & Eyre (2016) – “A post mortem of the Green Deal: Austerity, energy efficiency, and failure in British energy policy”
    - *The Green Deal was a British flagship policy intended to deliver energy efficiency retrofits at scale. About 2.5 years after its launch the programme was effectively terminated and is now seen as **a dramatic policy failure.***

# Shared v. Exclusive Competencies

- Example: CETA agreement (EU-Canada)
  - Trade (Commercial) Policy (CCP) – traditional common policy
  - CETA negotiated as EU-only treaty (2014)
  - But: CETA went perhaps too far...
  - In 2016 – EU Commission surrendered to the pressure from the Council
    - Mixed agreement!
    - Different approach needed
    - Mixed agreements require joint unanimous signing and ratification by the EU and the Member States in their own right.
      - Wallonian regional government intervened into the ratification process (2016)
- Future trade agreements influenced too!

# Economist (2019) on the Proposal

- Positive and new features
  - EU the biggest economy (or economic bloc) attempting to do something
  - More ambitious than previous targets
  - Trade provisions
    - The EU will refuse to strike new trade deals with countries that fail to comply with the Paris agreement's requirement
- Questions:
  - Is it ambitious enough?
  - Costs: additional €175bn-€290bn (\$192bn-\$320bn) of investment required every year according to the EU estimates
    - Will Green Finance really help?
  - Lack of clarity?
- The text is available at moodle.

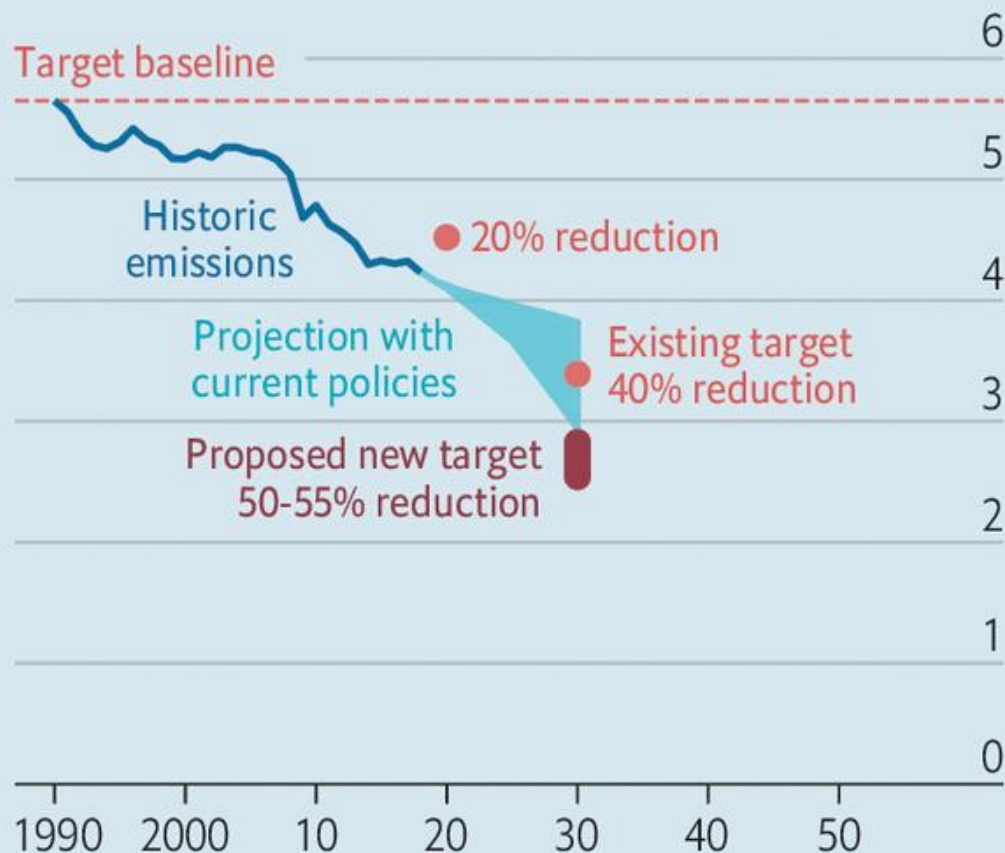
# EU: Progress on GHG Targets

Source: Economist (2019)

## Cooling it

EU, progress on greenhouse gas targets

Emissions, gigatonnes of CO<sub>2</sub> equivalent per year\*



Source: Climate Action Tracker \*Excluding land use and forestry

# Previous Examples of EU Plans

- Lisbon Strategy (2000)
  - Make Europe "the most competitive and dynamic knowledge-based economy in the world, capable of ***sustainable economic growth with more and better jobs and greater social cohesion***".
- Juncker Plan (2015)
  - Attempt to leverage EU budget to mobilise private capital and catalyse ***strategic, transformative and productive investments with high economic, environmental and societal added value***.

# “Behavioral Issues”

- Response to strict regulation
  - VW-gate
- Ability to manage financial flows – especially in the case of new member countries
  - Bulgaria, Romania, Czech Republic...

# Dimensions – Gaventa (2019)

- European Green Deal is a ...
  - Climate project
  - Social project
  - Economic project
  - European project
  - International project
- Complexity!



# Who will kill the European Green Deal?

- Read the brief comment from the Economist (Moodle):
  - Poland
  - EU Commission
  - Germany?
  
- What is your opinion on this?

# References

- Economist (2019): The EU's Green Deal is full of ambition but needs more detail.  
<https://www.economist.com/europe/2019/12/14/the-eus-green-deal-is-full-of-ambition-but-needs-more-detail>
- Economist (2020): Minority Report: Brussels edition. Who will kill the European Green Deal?  
<https://www.economist.com/europe/2020/03/05/minority-report-brussels-edition>
- Gaventa (2019): How the European Green Deal will succeed or fail. E3G, December 2019