



EU's Green Deal: Going Green or Going Bust?

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What is Green Deal?



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- EU's growth strategy to modernize the economy and make it sustainable.
 - Roadmap to climate neutrality by 2050
 - Transformation of key sectors — energy, transport, industry, buildings, agriculture and finance.
 - Based on clean and circular economy principles: reducing waste, saving resources, using renewable energy.
 - A regulatory and investment framework that creates new laws, standards and funding to support green innovation and a fair transition.

Core principles of Green Deal

- Climate neutrality
- Circular economy
- Clean industry
- Healthier environment
- More sustainable farming
- Climate justice and fairness



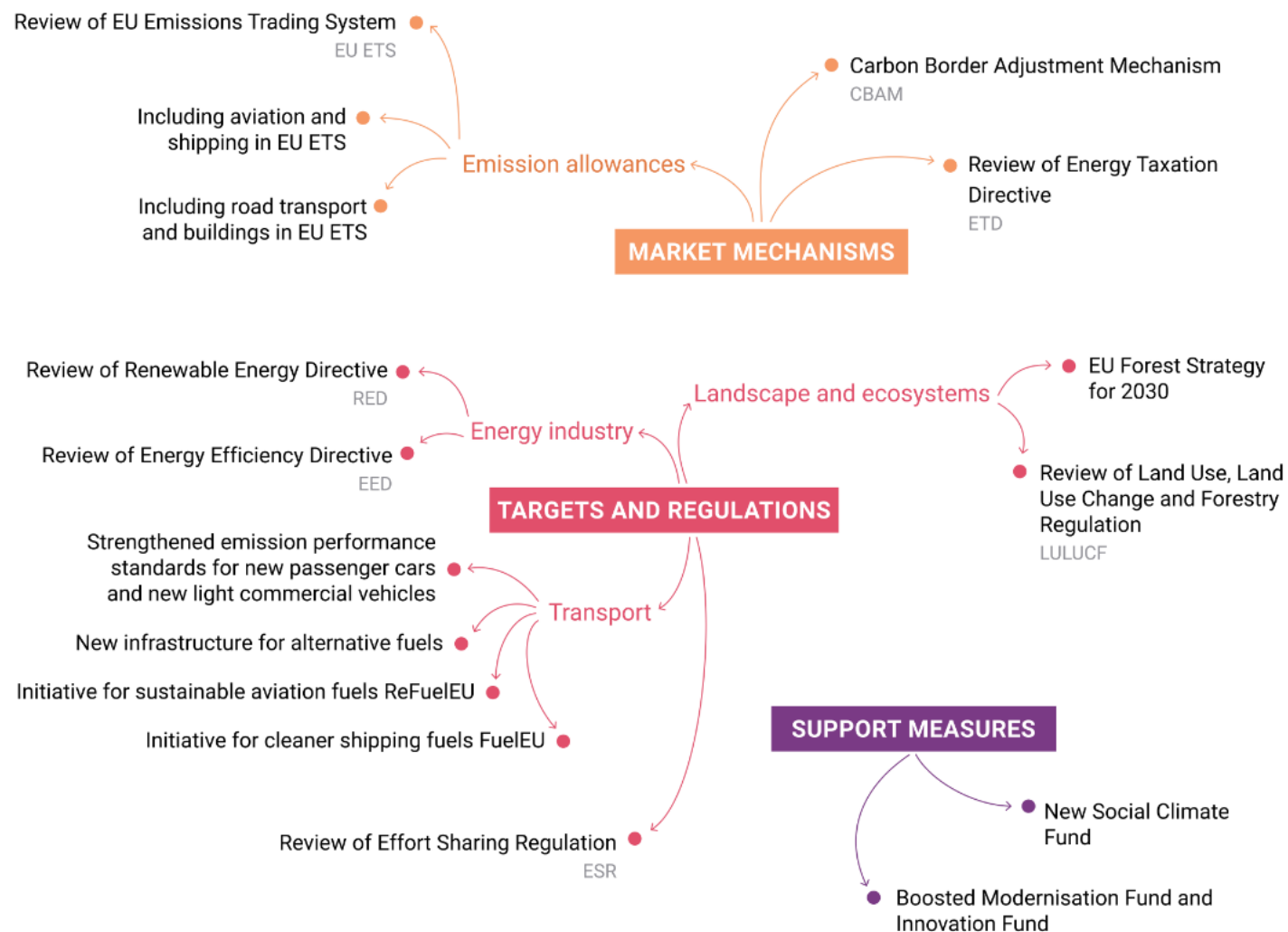
Fit for 55

- A package of laws and reforms proposed by the European Commission in 2021.
- Its goal is to ensure the EU cuts greenhouse gas emissions by at least 55% by 2030 (compared to 1990).
- It updates existing climate and energy laws and introduces new rules across all major sectors.
- It makes the Green Deal's vision operational and enforceable — not just a strategy.
- It sets concrete standards for businesses, industries, transport, buildings, and energy.





Examples of laws from fit for 55



Data source: European Commission

What is included in the Fit for 55 package?

EU emissions trading system	Social climate fund	Carbon border adjustment mechanism	Member states' emissions reduction targets
Emissions and removals from land use, land use change and forestry	CO ₂ emission standards for cars and vans	Reducing methane emissions in the energy sector	Sustainable aviation fuels
Decarbonised fuels in shipping	Alternative fuels infrastructure	Renewable energy	Energy efficiency
Energy performance of buildings	Hydrogen and decarbonised gas market package	Energy taxation	

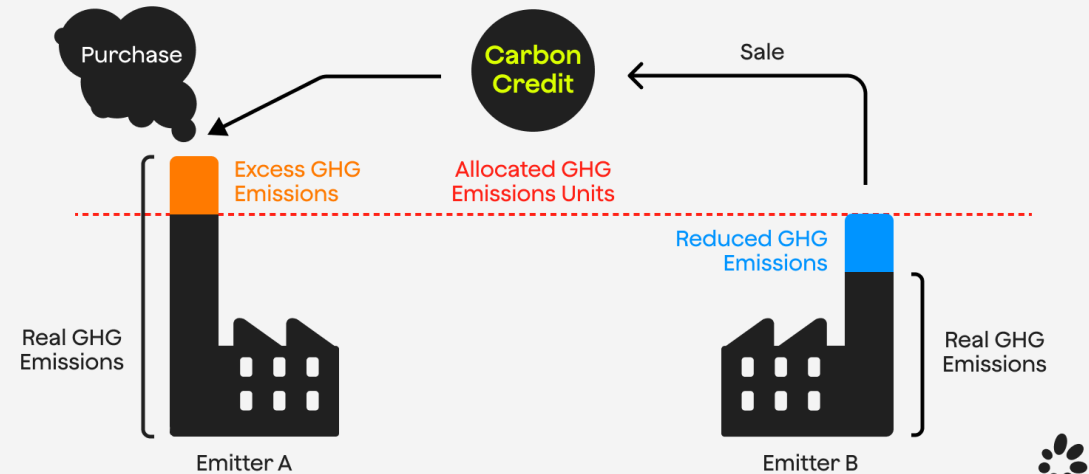


EU Emissions Trading System

Consolidated text: Directive 2003/87/EC of the European Parliament and of the Council of 13 October 2003 establishing a system for greenhouse gas emission allowance trading within the Union and amending Council Directive 96/61/EC

- Stronger carbon price: faster yearly reduction of emission allowances.
- End of free allowances for sectors covered by CBAM.
- ETS expanded to maritime transport + a new ETS2 for buildings & road transport.
- Drives companies to invest in cleaner technologies and energy efficiency.

How an emission trading system works



Social Climate Fund

Regulation (EU) 2023/955 establishing a Social Climate Fund and amending Regulation (EU) 2021/1060

- Part of the EU budget that is up to €65 billion

Funding for measures benefiting vulnerable groups, including:

- Low-income households
- Micro-enterprises
- Transport users facing higher mobility costs



Renewable Energy Directive (RED III)

Directive (EU) 2023/2413 of the European Parliament and of the Council of 18 October 2023 amending Directive (EU) 2018/2001, Regulation (EU) 2018/1999 and Directive 98/70/EC as regards the promotion of energy from renewable sources, and repealing Council Directive (EU) 2015/652

- Higher EU target: 42.5% renewables by 2030 (aiming for 45%).
- Sector targets for industry, buildings, and transport.
- Faster permitting for solar and wind projects.
- Boost for renewable hydrogen and clean electricity.



Energy Efficiency Directive (EED)

Directive (EU) 2023/1791 of the European Parliament and of the Council of 13 September 2023 on energy efficiency and amending Regulation (EU) 2023/955

- Binding goal: 11.7% reduction in energy consumption by 2030.
- Stricter renovation and energy-saving obligations for public buildings.
- Large companies must conduct energy audits or use energy-management systems.
- Push for lower energy use across buildings, industry, and households.



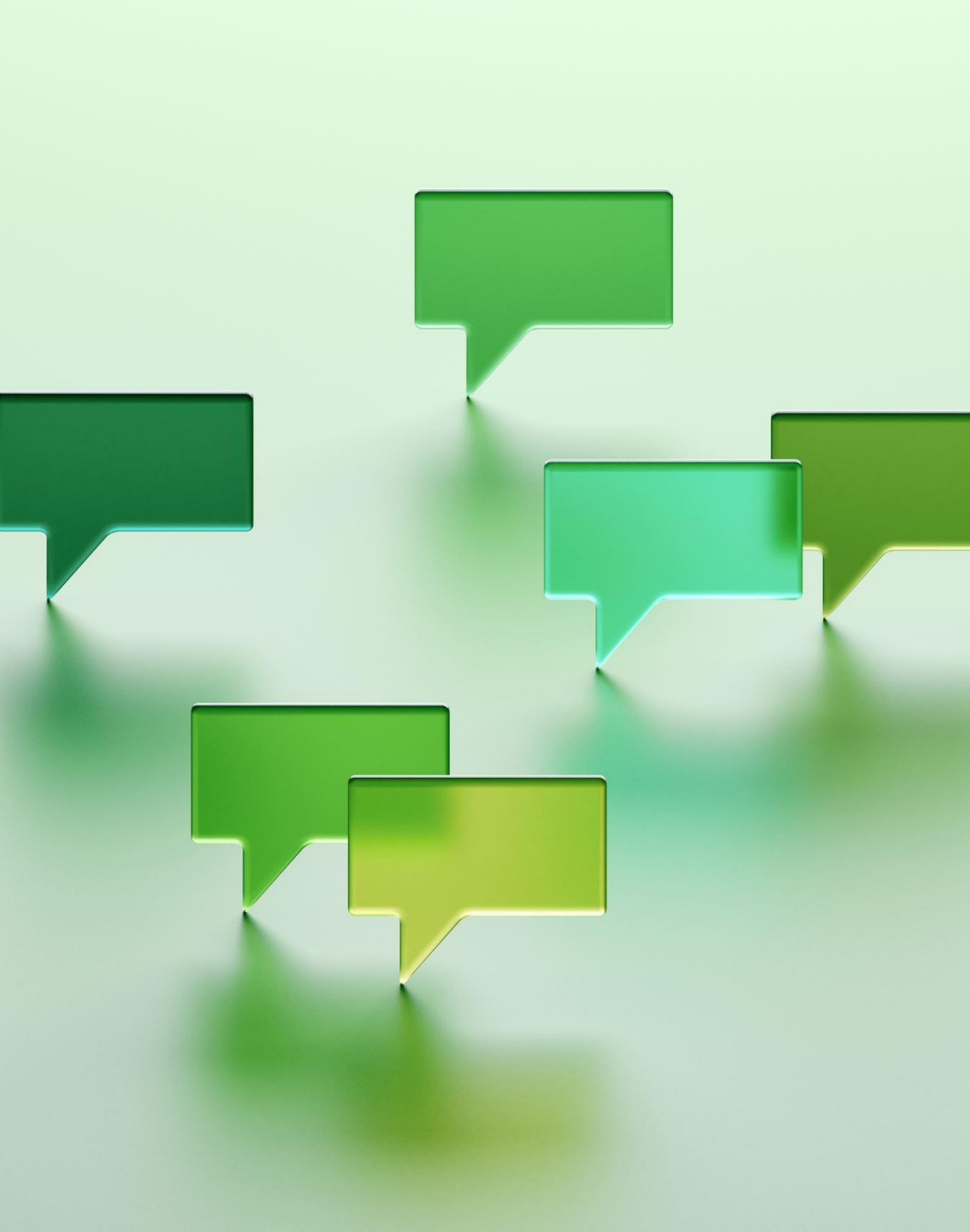
EURO 7

REGULATION (EU) 2024/1257 OF THE EUROPEAN
PARLIAMENT AND OF THE COUNCIL of 24 April 2024

Is a part of the Commission's 2020 Sustainable and
Smart Mobility Strategy

- Stricter limits on air pollutants
- Lower NOx emissions
- Lower particulate matter (PM)
- Applies in real driving conditions
- New rules for brakes & tyres
- Limits non-exhaust emissions (brake dust, tyre particles) for the first time.
- Battery durability requirements
- Ensures EV batteries keep 70–80% capacity for a set number of years/kilometres.





Present day debate around the Green Deal

- Keep the Green Deal
- Reform / Simplify the Green Deal
- Reduce ambition / Redirect funds to defence

Going Green



Automobile Industry

- Phasing out internal combustion engines by 2035
- Aiming to reach CO2-neutral cars by 2050
- Part of Fit for 55



Automobile Industry

- 1/5 of EU CO₂ emission
- aims to cut emissions by 55 % by 2030
- zero emissions from new cars by 2035
- older cars may still be used and sold
- CO₂ neutral process for making car batteries

Automobile Industry

- Huge backlash
- ACEA - automobile industry lobbyist
- Motoriste Sobe - political opposition
- Chinese electric car boom
- Inability to keep up

FuelEU - Aviation and Maritime

- Goal is to reduce emissions from two of the biggest polluters
- Sets mandatory percentage for sustainable aviation fuels
- Forces airlines to switch to more eco friendly alternatives
- Sets limits for greenhouse gas intensity
- Drives innovation
- Creates larger market for alternative fuels

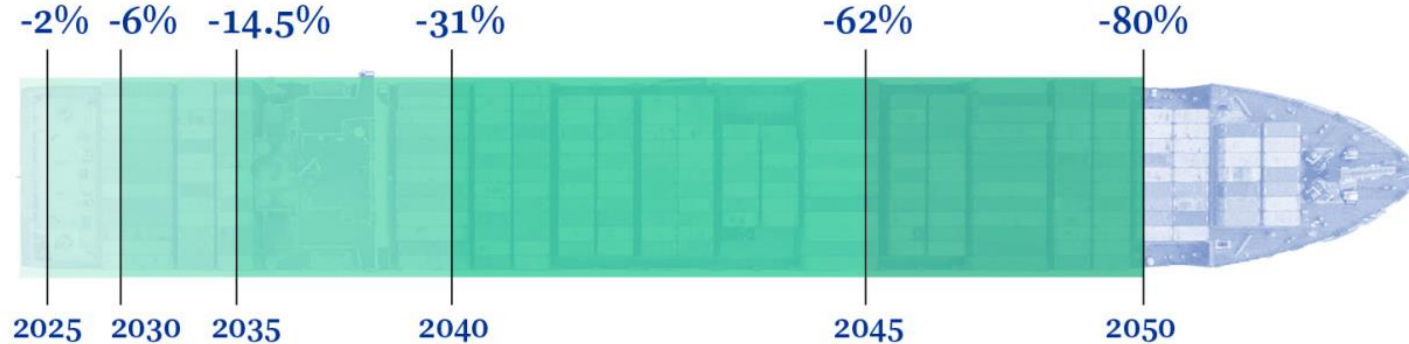




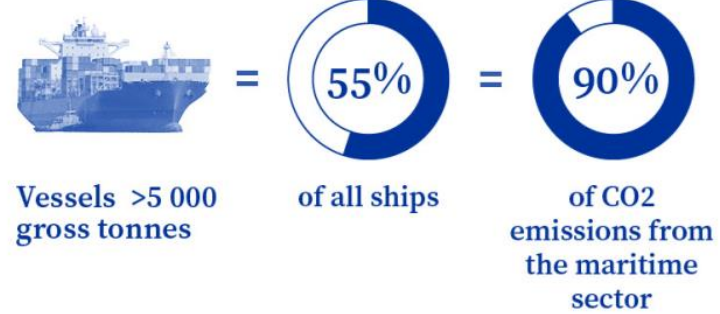
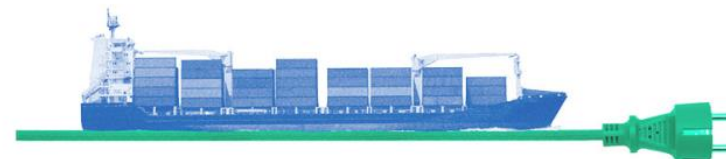
**The FuelEU maritime regulation
will oblige vessels above 5 000 gross
tonnes calling at European ports**
(with exceptions such as fishing ships):

→ to **reduce the greenhouse
gas intensity** of the energy
used on board as follows

Annual average carbon intensity reduction compared to the average in 2020



→ to connect to **onshore power supply**
for their electrical power needs while
moored at the quayside, unless they use
another zero-emission technology



Green Energy

- 42.5 % of energy should be from renewable sources by 2030
- better for environment
- job creation
- less dependence
- European Wind Power Action Plan, Solar Energy Strategy



Green Energy - wind turbines

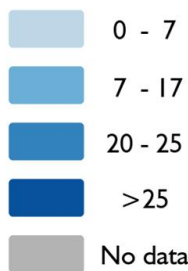
- 39.1% of renewable energy
- 16 % of EU's electricity
- 300 000 jobs in EU in 2022
- majority offshore
- mostly in northern countries



Wind energy generation

Landgeist.com
@Land_geist
@Landgeist

Electricity generation
from wind
as a % of total
electricity generation



Highest



Source: BP Statistical Review of World Energy, 2021

Wind turbines

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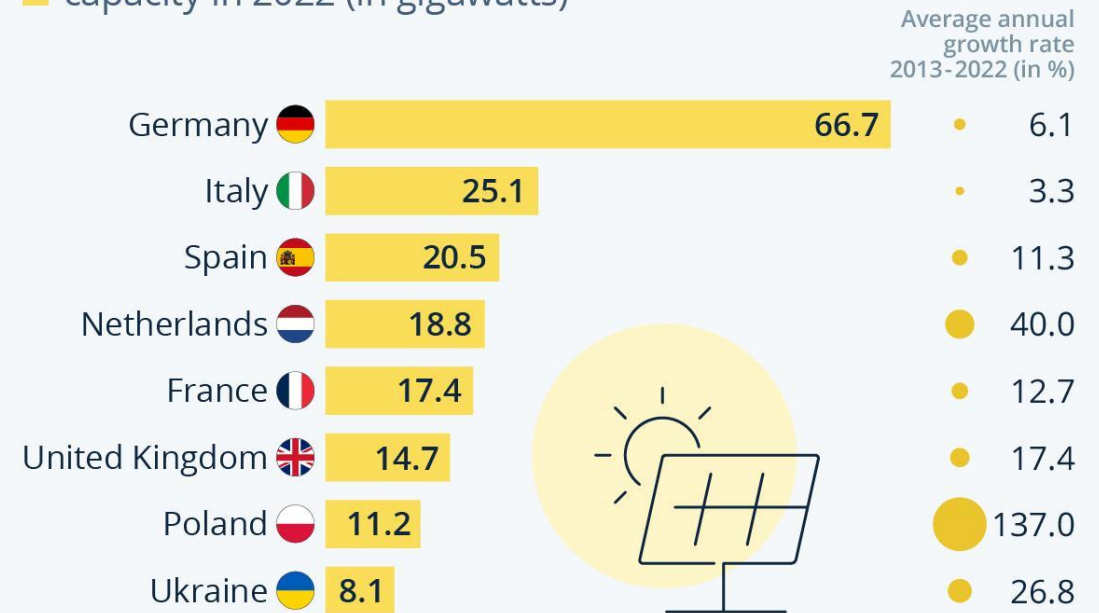
Source: OpenStreetMap, 2022

Green Energy - solar power

- in June 2025 main source of electricity in Europe with 22 %
- European Solar Charter
- European Solar Rooftops Initiative
- Solar Thermal Technologies
- 826 000 jobs in 2023

Germany Is Europe's Solar Energy Front-Runner

European countries with the highest total photovoltaic capacity in 2022 (in gigawatts)

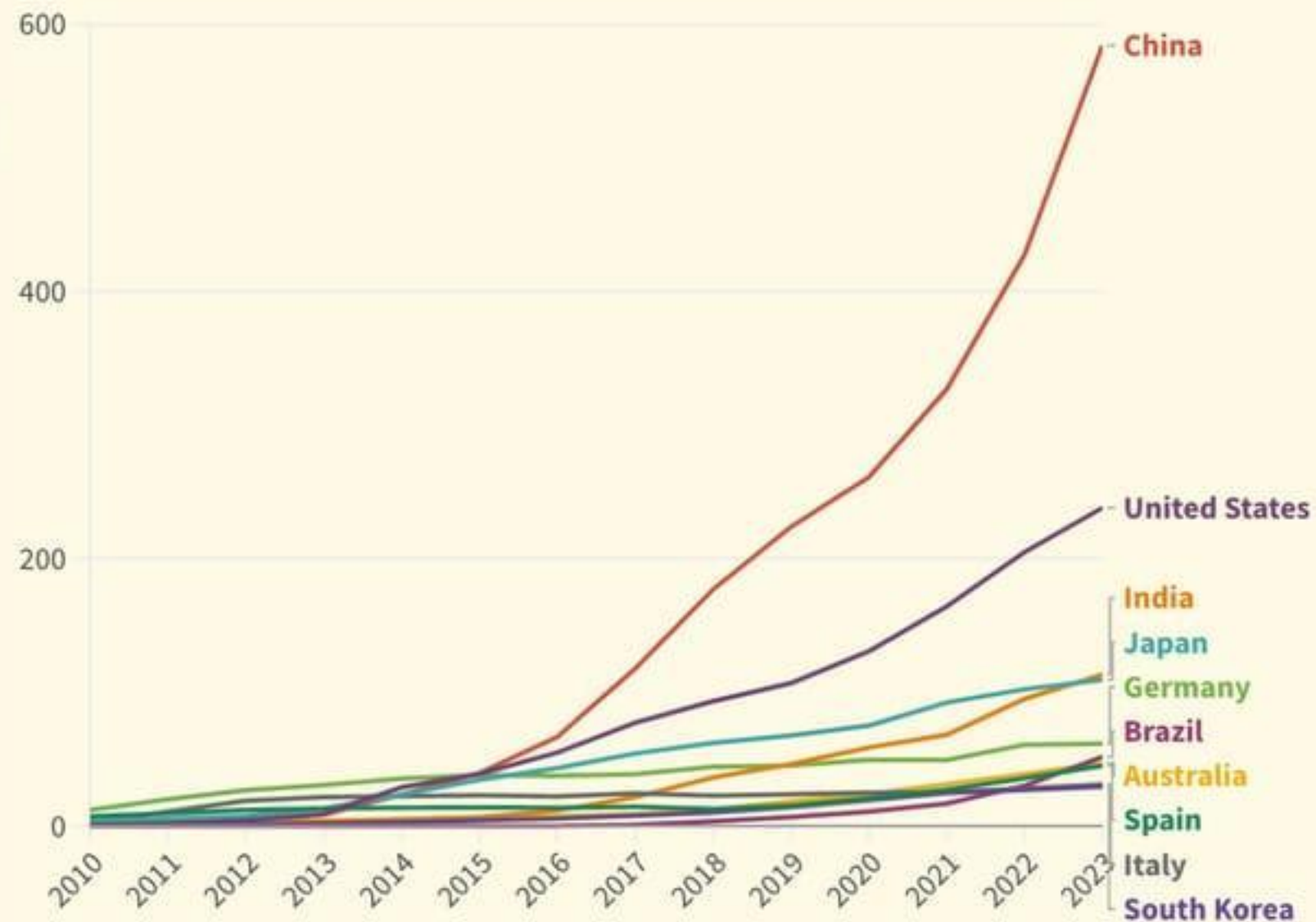


Source: International Renewable Energy Agency



statista

Top 10 solar-producing countries in 2023



CANARY MEDIA

CHART OF THE WEEK

Energy Performance of Buildings

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- 75 % of buildings in EU have poor energy performance
 - 40 % of energy in EU is used for buildings
 - EU aims to make buildings more sustainable and efficient
 - Energy Efficiency Directive, Renewable Energy Directive, Energy Performance of Buildings Directive
 - ETS2

Energy Performance of Buildings

-
- all buildings must be zero emission by 2030
 - phasing out fossil burning boilers by 2040
 - Solar and air to water heat pumps discounts for residential buildings
 - Renovation wave - aims to double renovations by 2030
 - infrastructure for EV charging

Fast Fashion

- EU strategy for sustainable and circular textiles
- 5 million tonnes of clothing discarded each year in the EU
- 1% of material in clothing is recycled into new clothing
- Goal is to have all clothing on EU market to be durable, repairable and recyclable
- Setting design requirements
- Digital Product Passport



Going out of Business

Problems with transition

- Somehow functional system being modified through regulations
- We cannot “touch” global warming
- Scepticism, extremism, populism
- Uprising tension between established democracy and green transformation, even though they should go hand in hand

Future of diesel/petrol cars

- Used regulation
- Biggest concerns
- Practical impact

Energy efficiency of buildings

- Used regulation
- Biggest concerns
- Practical impact

Used regulation

- **Euro 7** (part of the European Green Deal and in accordance with the EU's commitment to the Paris Agreement), **year 2035**
- **Complex emission standard** (not only exhaust emissions, but also brake particle emissions, etc.)
- Exhaust emissions causing the most trouble

[Click to see the regulation](#)

“The Euro 7 regulation establishes rules for the exhaust emissions of road vehicles, but also for other types of emissions such as tyre abrasion and brake particle emissions. It also introduces requirements for battery durability. For cars and vans, the regulation keeps the existing Euro 6 exhaust emission limits but introduces stricter requirements for solid particles. For heavy-duty buses and lorries, the regulation imposes more stringent limits for various pollutants, including some that have not been regulated until now, such as nitrous oxide (N₂O). In addition, Euro 7 introduces stricter limits for particle emissions produced when braking, with specific limits for electric vehicles. The new rules also include stricter lifetime requirements for all vehicles in terms of both mileage and lifetime.” (European Council, 2025)

Biggest concerns

- Chairman of the management board of BMW: “I think we're doing ourselves a disservice by choosing an almost arbitrary point in the future where we say all industries have to align themselves with it by then,” (Zipse, 2025)

“The EU is making a huge mistake by forcing carmakers to shift to selling only electric vehicles by 2035.” (Zipse, 2025)

- Chairman of the management board of Mercedes-Benz: “We need a reality check. Otherwise we are heading at full speed against a wall. Europe's car market could “collapse” if it goes ahead.” (Kaellenius, 2025)

“Of course we have to decarbonise, but it has to be done in a technology-neutral way. We must not lose sight of our economy.” (Kaellenius, 2025)

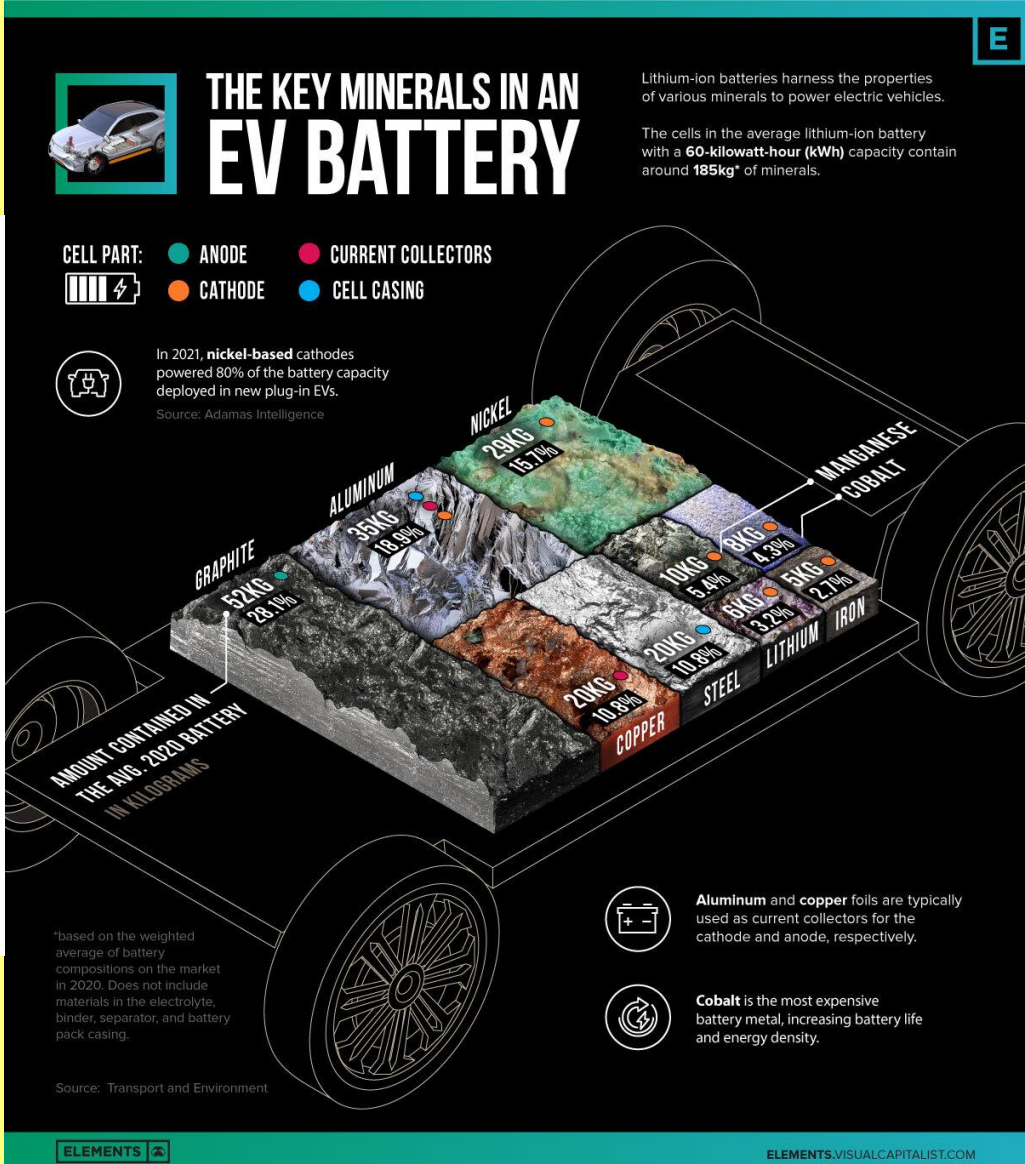
Biggest concerns

- Uncertainty
- Complex emission standard not being complex enough? Total carbon emissions of a vehicle, rather than mandating zero emissions at the tailpipe
- Arbitrary regulation, economic issues

Biggest concerns

Mineral	Cell Part	Amount Contained in the Avg. 2020 Battery (kg)	% of Total
Graphite	Anode	52kg	28.1%
Aluminum	Cathode, Casing, Current collectors	35kg	18.9%
Nickel	Cathode	29kg	15.7%
Copper	Current collectors	20kg	10.8%
Steel	Casing	20kg	10.8%
Manganese	Cathode	10kg	5.4%
Cobalt	Cathode	8kg	4.3%
Lithium	Cathode	6kg	3.2%
Iron	Cathode	5kg	2.7%
Total	N/A	185kg	100%

(Alexander, 2025)



Practical impact

“The ambition for all Mercedes-Benz production plants worldwide is to run 100 percent on renewable energy with zero CO₂ emissions by 2039.” (Mercedes-Benz, 2025)

“The BMW Group is committed to the Paris Agreement: by 2050 at the latest, we intend to reduce our CO₂ emissions by 90 percent compared with 2019.” (BMW Group, 2025)

- Broad portfolio of electric vehicles, but also alternative fuels (not yet fully included)
- Recycled materials
- Focus on circular economy

Kuppenheim recycling plant





BMW's design for circularity

„Design for Circularity“ – Three key principles:



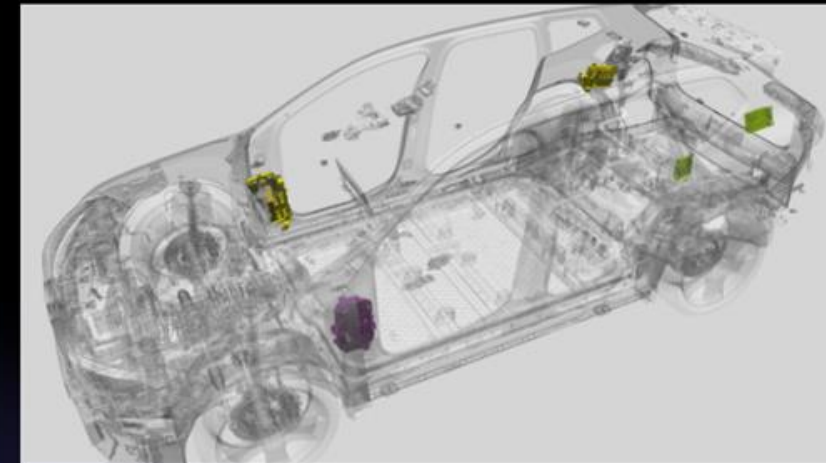
Secondary First

We are increasing the proportion of secondary materials in our products, wherever market availability and technical feasibility permit. Any material we re-use must fulfil the same quality, safety and reliability standards as a primary material.



Material Selection

We are reducing the diversity of materials in our products and prioritising those that are easy to reuse and to separate for recycling. High-quality recycled and recyclable materials are factored in right from product development.



Optimised Dismantling

We are making our products easier to dismantle by using fewer individual parts and connecting them in ways that are easier to separate again – with bolts and clips, for example. This improves the material composition of our products for reuse and recycling purposes, while also meeting all the latest legal requirements.

Used regulation

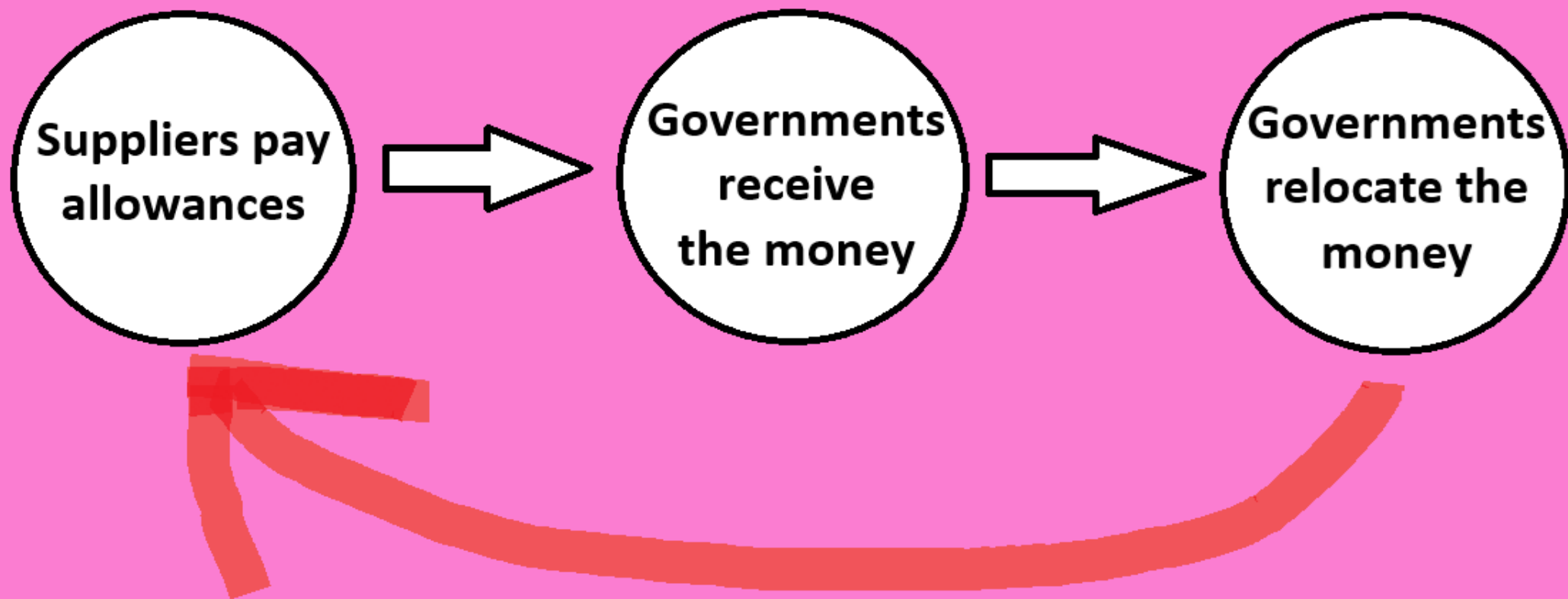
- **EU ETS2** - Emission trading system. Allowance = 1 tonne of CO₂. Capped amount
- ETS1 = Power generation, large industry, aviation
- ETS2 = Buildings, road transport, small industry

[Click to see the regulation](#)

“Following the adoption of the revised ETS Directive in 2023, Member States had to transpose the ETS2 into national law. The ETS2 will target GHG emissions from fuel for the sectors covered. Fuel suppliers have to buy and surrender emissions allowances and are likely to pass on the cost of this new instrument to final consumers. Consumers are likely to face higher energy bills if they do not switch to low-carbon technologies, which is why the ETS2, while aiming to achieve climate objectives, has become a social concern.” (European Parliament, 2025)

Practical impact

- Revenue from allowance is used to fund climate and energy projects across the EU
- Social climate fund: “The SCF will pool revenues from the auctioning of allowances from the ETS2 as well as 50 million allowances from the existing EU ETS. Together with a mandatory 25% contribution of the Member States to their Social Climate Plans, the SCF should mobilise at least EUR 86.7 billion of public funding over the 2026-2032 period.” (European Commission, 2025)



Practical impact

- Not specific, member states decide, EC must approve the regulation

“Member States are to submit their plans to the European Commission by June 2025. The Commission will assess them and disburse payments to Member States only if the milestones and targets set in the plans are achieved.” (European Commission, 2025)

Social Climate Fund proposals

- [Spain](#)
- [Portugal](#)
- [Czechia](#)

Protocole from the 1st meeting of the Social Climate Fund Platform: “V průběžném jednání s EK byla podpora elektromobility ze SKF přijímána pozitivně. Uvedl, že dotační podpora je plánována v hladině 70-100 000 Kč a strop na 500 000 Kč, což pravděpodobně povede k nákupu spíše ojetých vozů.” (Jan Kříž, 2025) - Platform for the social climate fund, Department of the environment

“In Germany, the CO₂ Cost Sharing Act modulates the split of carbon price costs between tenants and owners based on a property’s energy performance. In low-efficiency buildings, property owners must cover up to 95% of the CO₂ costs, whereas in efficient properties, tenants bear most of the cost.” (Haywood, 2025) - CO₂ Cost Sharing Act (CO₂KostAufG), fuels used for heating, 1.1. 2021

Biggest concerns

- The implemented regulation may simply suck
- Large investment for an individual/business
- Many people won't be able to directly influence it, but still gotta pay
- Businesses standing solely on fossil fuels (coal power plants)
- Maximum price 45 euro per one allowance

Thank you for your attention

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