GERMAN EU COUNCIL PRESIDENCY ENERGY & ENVIRONMENTAL



PRIORITIES



We are committed to ensuring that the transition to a sustainable economy on the basis of the European Green Deal is accomplished.

German Presidency programme, chapter 2

The German Presidency's energy- and environmental ambitions fall into two main categories: measures intended to ensure that the recovery from the COVID-19 pandemic takes Europe's economy in a more sustainable direction, and measures aimed at greening the economy in general. "Achieving climate neutrality is one of three central challenges

for Europe", German Chancellor Angela Merkel stresses.

Germany's Council Presidency comes as Brussels moves to back hydrogen and offshore wind energy, both of which are central to Berlin's plans to maintain its industrial leadership worldwide and achieve its national clean energy goals.



I. An overall framework for a sustainable economic and social recovery and the green transition

The top priority for the German Presidency is to ensure an economic recovery from the corona pandemic through sustainable growth. The Presidency will focus on finalising the MFF- and recovery package negotiations and ensuring their alignment with the European Green Deal, as well as pressing on with the European Green Deal itself. The leitmotif of the Presidency is found in the development outlined under the UN 2030 Agenda and the Sustainable Development Goals.

PRESIDENCY GOAL	EU-LEVEL ACTIONS	EUROPEAN CONTEXT	DOMESTIC GERMAN FOCUS
Ensure green recovery through sustainable growth	Finalise MFF- and recovery package negotiations and Green Deal projects.	In order to use the recovery effort to ready Europe's industry for the green transition, the Council proposes a budget of € 1,07 trillion and a recovery package of € 750 million, (€ 390 million in grants and € 360 million in loans) with a climate target of 30% applicable to both, but the Parliament has threatened to block the budget over cuts to several EU programmes, lack of a control mechanism to ensure countries spend climate funding on green projects and too lax enforcement of links between EU funds and respect for the rule of law.	Domestic disagreement over the industry's ability to survive higher climate ambitions. € 9 billion channelled through national recovery package (130 billion) to hydrogen projects.
Press on with European Green Deal	Support the Commission's work on legal texts and strategies in the European Green Deal.	The EU sees the Green Deal as one of two pillars for the recovery effort, but some disagreement remains as to how ambitious the targets should be, and Poland has not yet committed to carbon neutrality by 2050 on a national level.	Germany sees the European Green Deal as the way out of the recession. However, certain actors in the private sector fear climate policy that is too ambitious.
Further UN 2030 Agenda Finalise and agree on the Biodiversity Strategy and the 8th Environmental Action Plan.		Though the EU has seen progress on almost all SDGs, only 10 years remain to implement the UN 2030 agenda. According to the UN, the corona pandemic has set humanity back by decades, in terms of poverty reduction, health care and education.	The German sustainability strategy identifies measures for the implementation of the 17 SDGs in Germany, and globally through German action.

Timeline

- Overall framework for a sustainable economic and social recovery and the green transition
- Building green infrastructure
- Emissions reductions
- Environmental protection
- Climate diplomacy

[Q3 2020]

Commission presentation of the European Climate Pact

[Q3 2020] •

Commission presentation of the Renewed Sustainable Finance Strategy

[Q3 2020]

Commission schedule for European Climate Law adoption

[Q3 2020] • •



Commission adoption of revised state aid rules for EU ETS



II. Building green infrastructure

The German Presidency sees the rapid expansion of offshore wind energy and hydrogen production as key factors in achieving the European Union's goals for renewable energy and ensuring security of supply. To match this expansion of Europe's renewable capacity with energy infrastructure, Germany seeks Council conclusions on framework conditions for renewable energy during its Council Presidency.

PRESIDENCY GOAL	EU-LEVEL ACTIONS	EUROPEAN CONTEXT	DOMESTIC GERMAN FOCUS
Increase state aid to green / sustainable projects	Revise EU state aid rules. Part of European effort to increase funding for green transition.	Alliance of business and environment interests could push for quick revision.	German industry pushes government to match increased climate requirements with higher funding.
Improve sustainable mobility options	Revise the TEN-T regulation on trans- European transport networks.	The European Parliament has expressed its concern that several member states fail to fulfil their obligations for European infrastructure projects.	Germany wants to orient road tolls for trucks towards CO2-emissions from 2030 onwards.
Renewables expansion	Promote Council decisions on common projects and follow up Commission initiatives on offshore wind, hydrogen, and energy system integration.	Recent Commission launches: Hydrogen Strategy, Offshore Renewable Energy Strategy, Energy Sector Integration Straetgy. The Commission will publish a revision of state aid rules.	German efforts to replace coal with renewable electricity and hydrogen through a regulated and compensated phase-out of coal plants are progressing. In the first half of 2020, electricity consumption was 55,8% renewable.
Expand renewables infrastructure	Promote internal market for energy. Promote cross-border infrastructure.	EU regulatory agency to decide on methodology for setting price zones to avoid grid- and interconnector congestion in October.	Domestic industry needs large amounts of imported hydrogen and green electricity – especially from offshore platforms.

[JUL 20]

Agriculture and Fisheries Council meeting on i.a. the Farm 2 Fork Strategy and Common Agricultural Policy

Close of Commission consultation on Sustainable and Smart Mobility Strategy

[AUG 13] OCIOSE of Commission consultation on Offshore Renewable Energy Strategy

[By SEP] Commission presents impact assessment of increased 2030 climate ambitions



III. Emissions reductions

In order to further Europe's path to carbon neutrality, the German Presidency wishes to press forward with the negotiations on the 2030 climate targets, strengthen European carbon pricing and enshrine the goal of climate neutrality by 2050 in European law.

PRESIDENCY GOAL	EU-LEVEL ACTIONS	EUROPEAN CONTEXT	DOMESTIC GERMAN FOCUS
Reach agreement on the EU 2030 climate ambitions and decide on new emissions reduction targets	Explore options for increasing the EU 2030 climate ambitions based on the Commission's assessment of NECPs and the European potential for emissions reduction. This includes establishing the level of increase and renegotiating the burden-sharing mechanism.	While the Commission and Parliament will likely agree on a 55% emissions reduction target, the S&D rapporteur on the Climate law has called for a 65% target; certain countries are expected to oppose a target as high as 55% in the Council. Northern- and Western European countries push strongly for higher ambitions, while Poland and certain others remain sceptical. Earliest possible opportunity for a general agreement in the Council is the Energy Minister meeting on October 5-6.	Germany's support for increased 2030 ambitions is conditional on renegotiation of the burden sharing mechanism. The German NECP was delivered in June. Without a finalised NECP, Germany would have a much weaker position in Council climate negotiations.
Make climate neutrality binding by 2050	Adopt the Commission's proposal for a European Climate Law.	Poland alone remains uncommitted to climate neutrality by 2050.	Germany is on track to achieve its current emissions reduction obligations under the European burden sharing mechanism and Paris Agreement.
Strengthen carbon pricing	Extend ETS to all sectors and introduce a minimum price.	Carbon pricing is intended to ensure a level playing field in the single market.	Germany introduces national emissions trade with minimum price in 2021 – industry wants a level playing field. At EU level, it wants to bring forward initiatives to prevent carbon leakage.

[SEP 03]

German Transport Ministry conference on electric mobility

[SEP 14] • • •

European Parliament plenary

session – opportunity to vote on amongst others, the Just Transition Fund, European Climate Law, Sustainable Europe Investment Plan, Circular Economy Action Plan

[SEP 11] O

Close of Commission consultation on EU agricultural promotion policy

[SEP 23]

Close of Commission consultation on White Paper on Transport

[SEP 17-18]

Network of EU Lawyers meeting

[SEP 21]

Ministerial videoconference on connecting, sustainable and digital rail transport

[SEP 21-22]

Agriculture and Fisheries Council meeting



IV. Environmental protection

The German Presidency seeks to shape the green and sustainable transition through an ambitious climate, environmental and biodiversity policy which ties into the economic recovery effort. To this end, they will move forward with several European initiatives including biodiversity protection, transition towards a more circular economy, and sustainable agriculture.

PRESIDENCY GOAL	EU-LEVEL ACTIONS	EUROPEAN CONTEXT	DOMESTIC GERMAN FOCUS
Adopt Circular Economy Action Plan	Finalise Council common position and complete inter-institutional negotiations.	EU Environment ministers want an agreement on the action plan this year.	Germany wants EU ministers to find a common position on greening the tech sector during its Presidency. Environment Minister Schulze supports a ,product passport' detailing recyclability and other environmental issues.
Protect the environment	Start discussions on 8th Environmental Action Plan.	Union is set to miss 2030 target for air pollution.	Germany has seen a slow, but steady reduction of most types of local air pollution since the 1990s.
Protect biodiversity	Find a Common position in the Council on the proposed EU Biodiversity Strategy.	The Biodiversity Strategy is intended to prevent biodiversity loss and protect human health. It also forms a key part of EU health preparedness.	Environmental Minister Schulze: European economic recovery can only happen if stimulus and investment packages focus on combating climate change, protecting the environment and maintaining biodiversity.
Improve agricultural sustainability	Reform the European Union's Common Agricultural Policy. Support the Commissions Farm 2 Fork Strategy aimed at promoting sustainable agriculture.	One of the toughest challenges for implementing the Farm 2 Fork Strategy has been reconciling the numerous policy areas involved in one coherent framework.	German attempts to increase organic farmland to 20 % of total have failed – leaving it at 10 % and organic food at 5 % of total consumption.

[SEP 30 - OCT 01]

Environment Minister meeting

[Q 4 2020]

Commission review of TEN-T regulation

[Q4 2020]

Commission review of the Non-Financial Reporting Directive

[Q4 2020] • •

EU Climate Change Adaptation Strategy

[OCT 01]

German Environment Ministry conference on sustainable procurement

[OCT 05-06] • •

Energy ministers' informal meeting

[OCT 14] • • • • •

Tripartite social summit

[OCT 15-16]

European Council meeting

[OCT 19-20]

Agriculture and Fisheries
Council meeting



V. Climate diplomacy

The German Presidency wishes to strengthen EU climate diplomacy and raise global climate goals together with its international partners in accordance with the objectives of the Paris Agreement.

PRESIDENCY GOAL	EU-LEVEL ACTIONS	EUROPEAN CONTEXT	DOMESTIC GERMAN FOCUS
Strengthen EU climate stance globally	Speak with common voice in international climate fora.	The postponement of COP 26 left a global vacuum which European officials wish to fill.	Desire to protect industry from "climate competition".
Prevent carbon leakage	Introduce carbon border adjustment mechanism.	Climate diplomacy pushes global partners to take ambitious climate action.	Several countries, including Northern Europe, Germany, France, and Austria have signaled support for a carbon border adjustment mechanism.

The German policy context

Chancellor Merkel has been nicknamed "climate chancellor" for her long-standing international engagement for emissions reductions. The climate credentials of the Federal Government may have taken a significant hit recently though, mainly due to two factors. First, the long delay in finalising Germany's coal exit, the so called "coal compromise," and the controversy surrounding the country's National Energy and Climate Plan, causing many to wonder whether Merkel can still live up to her reputation.

The German EU Council Presidency is the last chance for the Grand Coalition of Germany to show it can still forge lasting international climate commitments. The second half of 2020 has become a pivotal moment in European history, where the combination of the corona virus response and economic restoration combined with the European Green Deal holds the potential to fundamentally change role of the EU. The German Presidency will oversee the respective discussions on many of the central developments in the Council.

[OCT 22]

Close of Commission
consultation on EU farm policy
evaluation

[OCT 23] •

Environment Council meeting

[NOV 16-17]

Agriculture and Fisheries Council meeting

[DEC 08]

Transport Council meeting

[DEC 14] • • •

Energy Council meeting

[DEC 10-11]

European Council meeting

[DEC 15-16]

Agriculture and Fisheries
Council meeting

[DEC 17] O

Environment Council meeting



Energy/Environmental policy events

07 JUL 2020

Presentation of the programme of Germany's Council Presidency in the ENVI Committee by Federal Environment minister Schulze Online

13-14 JUL 2020

Informal Video Conference of the EU Environment Ministers to kick off the German EU Presidency Online

10-12 JUL 2020

Code4Green: European
Environmental Data Hackathon
Online

03 SEP 2020

Turning the page: The next chapter for electric road transport in Europe Brussels, Belgium

08 SEP 2020

Greening shipping Hamburg, Germany

16 SEP 2020

Workshop: "Relaunching European standardisation for a successful Green Deal" Berlin, Germany

17-18 SEP 2020

Meeting of the Network of EU Environment Lawyers Berlin, Germany

29 SEP 2020

Anniversary Conference "25 years of EMAS" Berlin, Germany

30.Sep - 01 OCT 2020

Informal Meeting of Environment Ministers
Online

01 OCT 2020

Conference on Environmental Aspects in Public Procurement in Europe Berlin, Germany

05-06 OCT 2020

Informal Meeting of Energy Ministers Berlin, Germany

06-07 OCT 2020

European Forum on Science and Education for Sustainability 2020 Berlin, Germany

12-13 OCT 2020

Annual Conference of the European Sustainable Development Network Berlin, Germany

23 OCT 2020

Environment Council Luxembourg, Luxembourg

26-28 OCT 2020

IndTech2020 – Transition to Sustainable Prosperity Mainz, Germany

27-28 OCT 2020

Conference on Sustainable Chemical Conversion in Industry 2020 Berlin, Germany

10-11 NOV 2020

European Cluster Conference 2020: Providing Support in Operating European Supply and Value Chains Berlin, Germany

19-20 NOV 2020

"United in Diversity: A Europe of Sustainability – Challenges and Perspectives" European Conference Göttingen 2020 Göttingen, Germany

23-24 NOV 2020

SET Plan Conference 2020 Berlin, Germany

23-24 NOV 2020

European Networking
Conference on Batteries
Berlin, Germany

26-27 NOV 2020

Conference on the Amendment of the Urban Waste Water Treatment Directive Berlin, Germany

08-09 DEC 2020

JPI Climate Scoping Forum Hamburg, Germany

08-11 DEC 2020

Meeting of the Parties to the Espoo Convention <u>Vilnius, Lithuania</u>

14 DEC 2020

Telecommunications and
Energy Council
Brussels, Belgium

16 DEC 2020

Meeting: Green 10 Brussels, Belgium

17 DEC 2020

Environment Council Brussels, Belgium

14-18 DEC 2020

40th Session of the Executive Body of the UNECE Convention on Long-range Transboundary Air Pollution Geneva, Switzerland



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