



Your FEBA EU Monitoring 31 January 2020

EUROPEAN COMMISSION Consultations



Source: European Commission - Consultations

Subject: A new Circular Economy Action Plan

Date: 2 January 2020

The new Circular Economy Action Plan will accelerate the transition towards a circular economy, reinforcing the EU's industrial base, while contributing to fighting climate change and preserving its natural environment. The new action plan will look at the lifecycle of products and materials, ensuring sustainable resource use and tackling resource-intensive sectors such as textiles, construction, electronics and plastics. It will feed into the [EU Industrial Strategy](#).

Download the Roadmap [here](#).

An online consultation opened and on 19 January 2020, FEBA submitted a feedback to actively contribute with its position in the drafting of the *New Circular Economy Action Plan*. You can find the document published at this [link](#).

EUROPEAN COMMISSION Press Releases



Source: European Commission – Press Releases

Subject: Financing the green transition: The European Green Deal Investment Plan and Just Transition Mechanism

Date: 14 January 2020

The European Union is committed to becoming the first climate-neutral bloc in the world by 2050. This requires significant investment from both the EU and the national public sector, as well as the private sector. The European Green Deal's Investment Plan - the Sustainable Europe Investment Plan - presented today will mobilise public investment and help to unlock private funds through EU financial instruments, notably InvestEU, which would lead to at least €1 trillion of investments.

While all Member States, regions and sectors will need to contribute to the transition, the scale of the challenge is not the same. Some regions will be particularly affected and will undergo a profound economic and social transformation. The [Just Transition Mechanism](#) will provide tailored financial and practical support to help workers and generate the necessary investments in those areas.

The President of the European Commission, Ursula **von der Leyen**, said: " *People are at the core of the European Green Deal, our vision to make Europe climate-neutral by 2050. The transformation ahead of us is*



unprecedented. And it will only work if it is just - and if it works for all. We will support our people and our regions that need to make bigger efforts in this transformation, to make sure that we leave no one behind. The Green Deal comes with important investment needs, which we will turn into investment opportunities. The plan that we present today, to mobilise at least €1 trillion, will show the direction and unleash a green investment wave ."

Executive Vice-President for the European Green Deal, Frans **Timmermans** , said: "*The necessary transition towards climate-neutrality is going to improve people's well-being and make Europe more competitive. But it will require more efforts from citizens, sectors and regions that rely more on fossil fuels than others. The Just Transition Mechanism will help support those most affected by making investments more attractive and proposing a package of financial and practical support worth at least €100 billion. This is our pledge of solidarity and fairness ."*

Valdis **Dombrovskis** , Executive Vice-President for an Economy that Works for People, added: "*For Europe to transition to a climate-neutral economy, we need both political commitment and massive investments. The Green Deal shows our determination to tackle climate change, which we are now backing up with a funding plan. First, we will use the EU budget to leverage private funds for green projects across Europe and support the regions and people most affected by transition. Second, we will create the right regulatory incentives for green investments to thrive. Last but not least, we will help public authorities and market players to identify and develop such projects. The European Union was not built in a day. A Green Europe will not happen overnight. Putting sustainability at the heart of how we invest requires a change of mindset. We have taken an important step towards achieving this today ."*

The European Green Deal Investment Plan

The European Green Deal Investment Plan will mobilise EU funding and create an enabling framework to facilitate and stimulate the public and private investments needed for the transition to a climate-neutral, green, competitive and inclusive economy. Complementing other initiatives announced under the Green Deal, the Plan is based on three dimensions:

- **Financing:** mobilising at least €1 trillion of sustainable investments over the next decade. A greater share of spending on climate and environmental action from the EU budget than ever before will crowd in private funding, with a key role to be played by the European Investment Bank.
- **Enabling:** providing incentives to unlock and redirect public and private investment. The EU will provide tools for investors by putting sustainable finance at the heart of the financial system, and will facilitate sustainable investment by public authorities by encouraging green budgeting and procurement, and by designing ways to facilitate procedures to approve State Aid for just transition regions.
- **Practical support:** the Commission will provide support to public authorities and project promoters in planning, designing and executing sustainable projects.

The Just Transition Mechanism

The Just Transition Mechanism (JTM) is a key tool to ensure that the transition towards a climate-neutral economy happens in a fair way, leaving no one behind. While all regions will require funding and the European Green Deal Investment Plan caters for that, the Mechanism provides targeted support to help mobilise at least €100 billion over the period 2021-2027 in the most affected regions, to alleviate the socio-economic impact of the transition. The Mechanism will create the necessary investment to help workers and communities which rely on the fossil fuel value chain. It will come in addition to the substantial contribution of the EU's budget through all instruments directly relevant to the transition.

The Just Transition Mechanism will consist of three main sources of financing:

1) A Just Transition Fund , which will receive €7.5 billion of fresh EU funds, coming on top of the Commission's proposal for the next long-term EU budget. In order to tap into their share of the Fund, Member States will, in dialogue with the Commission, have to identify the eligible territories through dedicated territorial just



transition plans. They will also have to commit to match each euro from the Just Transition Fund with money from the European Regional Development Fund and the European Social Fund Plus and provide additional national resources. Taken together, this will provide between €30 and €50 billion of funding, which will mobilise even more investments. The Fund will primarily provide grants to regions. It will, for example, support workers to develop skills and competences for the job market of the future and help SMEs, start-ups and incubators to create new economic opportunities in these regions. It will also support investments in the clean energy transition, for example in energy efficiency.

2) A dedicated just transition scheme under InvestEU to mobilise up to €45 billion of investments. It will seek to attract private investments, including in sustainable energy and transport that benefit those regions and help their economies find new sources of growth.

3) A public sector loan facility with the European Investment Bank backed by the EU budget to mobilise between €25 and €30 billion of investments. It will be used for loans to the public sector, for instance for investments in district heating networks and renovation of buildings. The Commission will come with a legislative proposal to set this up in March 2020.

The Just Transition Mechanism is about more than funding: relying on a Just Transition Platform, the Commission will be providing technical assistance to Member States and investors and make sure the affected communities, local authorities, social partners and non-governmental organisations are involved. The Just Transition Mechanism will include a strong governance framework centred on territorial just transition plans.

Background

On 11 December 2019, the Commission presented the [European Green Deal](#), with the ambition of becoming the first climate-neutral bloc in the world by 2050. Europe's transition to a sustainable economy means significant investment efforts across all sectors: reaching the current 2030 climate and energy targets will require additional investments of €260 billion a year by 2030.

The success of the European Green Deal Investment Plan will depend on the engagement of all actors involved. It is vital that Member States and the European Parliament maintain the high ambition of the Commission proposal during the negotiations on the upcoming financial framework. A swift adoption of the proposal for a Just Transition Fund Regulation will be crucial.

The Commission will closely monitor and evaluate the progress on this transition path. As part of these efforts, every year the Commission will hold a Sustainable Investment Summit, involving all relevant stakeholders, and it will continue to work for promoting and financing the transition. The Commission invites the investment community to make full use of the enabling regulatory conditions and ever-growing needs for sustainable investments, and authorities to take an active role in identifying and promoting such investments.

For More Information

[MEMO: The European Green Deal Investment Plan and the Just Transition Mechanism explained](#)

Factsheets

- [Investing in a Climate-Neutral and Circular Economy](#)
- [The Just Transition Mechanism: Making sure no one is left behind](#)
- [EU-funded projects to green the economy](#)

EUROPEAN PARLIAMENT

Written Answers



Source: European Parliament

Subject: EU funding support for circular economy action beyond 2020

Date: 15 January 2020



Can the Commission outline what specific EU funding will be available after 2020 to help incentivise and leverage EU, regional, and Member State efforts to promote circular economy action?

Answer given by Mrs Ferreira on behalf of the European Commission

The proposals for the 2021-2027 EU budget offer various opportunities to help incentivise efforts to promote circular economy action.

For the European Regional Development Fund, the European Social Fund Plus, the Cohesion Fund and the European Maritime and Fisheries Fund, the Commission has proposed 'A greener and low-carbon Europe' as one of the priorities. This includes the promotion of the transition to a circular economy (e.g. improved waste management, skills, tackling marine litter, capacity-building). Specific allocations will be subject to programming negotiations between the Commission and Member States.

The future Common Agricultural Policy will provide Member States the possibility to support the circular economy, for instance by promoting the bio economy and addressing food waste.

Under the proposed Horizon Europe, the Commission will continue to support research and innovation activities to advance knowledge, build capacities, as well as develop and demonstrate innovative solutions enabling circular economy.

The circular economy is also one of the investment priorities covered by the proposed InvestEU programme. It will provide financing and crowd-in investor for high-risk innovative and sustainable investment projects. InvestEU will build on the experience gained with the existing initiatives, such as the 'Circular Bioeconomy Investment Platform' to be deployed under the Horizon 2020.

Additional opportunities will be available in the proposed LIFE and Erasmus.

EUROPEAN PARLIAMENT Reports



Source: European Parliament

Subject: EPSR – 'From Farm to Fork' strategy on sustainable food

Date: 21 January 2020

The 'Farm to Fork' strategy is one of the initiatives announced in President Ursula von der Leyen's political guidelines for the new Commission, as part of the European Green Deal. It aims at creating a sustainable food value chain through legislative and non-legislative actions to be presented in spring 2020.

Please click [here](#) to access the report.

EUROPEAN PARLIAMENT Speeches



Source: European Parliament - Newsroom

Subject: "Enough of the obsession with profit, Green Deal must be opportunity to fight inequality"

Date: 22 January 2020



Speech of European Parliament President David Sassoli to the World Economic Forum in Davos

“Enough of the obsession with profit, Green Deal must be opportunity to fight inequality”

Ladies and Gentlemen,

Thank you for inviting me to take part in this Davos event, at this gathering's 50th anniversary.

The Green Deal for Europe and its financing

We have just listened to the speech by the President of the European Commission. As we have heard, the beginning of this new European institutional cycle has put the fight against global warming and the ecological transition at the center of its priorities. In this context, on 11 December, a few days after her inauguration, the President of the European Commission, Ursula von der Leyen announced a roadmap for the implementation of a European Green Deal. The concrete measures to support this roadmap were presented last week by the Commission and include major investments, funded in part by the European Investment Bank, with the support of the programs under the EU's Multiannual Financial Framework. The European Parliament, as co-legislator, will be called upon to discuss the Commission's proposals and modify the text where deemed necessary, in particular to ensure consistency between the diagnosis we all share regarding the climate emergency and the means employed to face it.

In this regard, the role of the world of finance, by identifying environmentally responsible investments, and of the European Central Bank, should be discussed without any taboos. We are delighted that Christine Lagarde has shown her willingness to start this discussion.

The fundamental question: the fight against inequality

Above all, I believe that the transformation that Europe intends to carry out to deal with the climate emergency means taking into account the social dimension and the fight against inequality, which must accompany this transformation. Indeed, environmental challenges can only be solved if we put the reduction of inequality at the center of political action. Climate challenges and inequality can only be solved together. Indeed, inequality and poverty have multiple effects on our environment. Poorer families are less inclined to change their lifestyle in terms of waste reduction and recycling. Moreover, more egalitarian societies have a better environmental record and show a greater ability to become more sustainable. On the contrary, an unequal society in which large sections of the population live in conditions of poverty feeds the ecological crisis. In reality, we are not equal in the face of the ecological crisis. Whether we are rich or poor, elderly or young, depending on where we live, influences how we are affected by the climate crisis. For example, the exceptionally hot and dry climate of last summer had a devastating impact on European farmland, reducing the crop of vegetables and increasing their price for the final consumer. This particularly affects low-income families, as food accounts for a large part of their monthly family budget. The ecological crisis is therefore aggravating the social crisis and the crisis of inequality. Inequality is therefore an environmental issue, just as environmental degradation is a social issue. We must understand that ecological progress and social progress must go hand in hand and feed on each other. We cannot end poverty and build a fairer society by letting the ecological crisis destroy our planet. However, we also cannot end the ecological crisis while high levels of poverty and inequality persist. Therefore, the transition towards the sustainable economy that we want to achieve cannot solely be viewed through the prism of promoting investment to transform our model of production.

Promoting a just transition

This is reflected in the concept of a just transition, which aims to accompany the change in our production model with corresponding social action. In this regard, the "Just Transition Fund" presented by the Commission last week is an initiative that should be welcomed. However, the resources with which this Fund will be equipped do not seem to live up to the social changes that we foresee. The annual GDP of the EU is



around 15,000 billion euros and with the recognition that measures to combat climate change will impose large costs on families, a Fund for a Just Transition of only 100 billion euros, distributed over several years, seems insufficient. In order to guarantee the political success of the European Green Deal, it appears essential to respond to the fears of those who will be most affected through compensatory measures. In particular, to support the creation of high quality and well paid jobs.

A necessary change in society driven by a renewed European project. In addition, we must establish a true socio-ecological governance from the local to the European level, which guarantees the participation of the whole society in the transformation of our model of production. This implies strong social dialogue at all levels and the involvement of local communities in the planning and implementation of public policies geared towards this process of transformation. It is a very ambitious social change and it is our responsibility to support it. This change implies a fundamental revision of our way of considering economic activity and in particular growth, as opposed to the concept of overall well-being. The United Nations "Sustainable Development Goals" goes in this direction. Focusing and evaluating the results of policies on explicit welfare objectives rather than on abstract concepts such as GDP would allow citizens to engage in the transformation of our societies. Finally, this transformation must be based on a new European narrative. In Europe, we must become aware of our roots and our common destiny, developing an ethos going beyond the simple logic of economic profit, beyond simply a transactional model that leaves us at the mercy of our partners through commercial retaliation measures when our geostrategic goals are different. We must get rid of the "culture of waste" of which Pope Francis speaks, which obeys only profit. On the contrary, the European project we are building must strengthen the fight against poverty and help reduce inequalities; it must concern itself with the dignity of people, especially in the workplace, through fair wages.

I am convinced that responding to this environmental and social challenge will allow our continent to show the moral leadership which the world expects.

EUROPEAN PARLIAMENT Research Papers



Source: European Parliament – Research Papers

Subject: European Pillar of Social Rights – How flexible is the EU budget? Flexibility instruments and mechanism in the multiannual financial framework (MFF)

Date: 23 January 2020

The 1988 introduction of multiannual financial framework (MFF) in the European Union (EU) budgetary system has improved financial predictability and facilitated the development of multiannual spending programmes, but has had to be balanced by measures that provided some flexibility and ability to react to unexpected situations. Over the years, these flexibility instruments and mechanisms have developed and proved to be useful. Occasions to use them were frequent, as the crises and challenges faced by the EU required actions that could not be financed under the tight expenditure ceilings of the agreed MFFs. Experience of implementation of the 2014-2020 MFF demonstrated that, with neither relevant flexibility mechanisms nor the possibility to revise the MFF in the mid-term, achieving policy goals and reacting adequately to unexpected events and crises, especially in the area of migration and security, would be impossible. The flexibility of the EU budgets has already featured as an important issue in the negotiations of the 2021-2027 MFF. The views of the main actors – the European Commission, the Parliament and the Council – on enhancing and designing such flexibility instruments diverge. It has yet to be seen if the issue, following the pattern of the 2014-2020 MFF negotiations, will play a key role in reaching an agreement.

Please click [here](#) to access the publication.



EUROPEAN COMMISSISON Press - Releases



Source: European Commission – Press Releases

Subject: European Commission 2020 Work Programme: an ambitious roadmap for a Union that strives for more

Date: 29 January 2020

The European Commission adopted its 2020 [Work Programme](#) . It sets out the actions the Commission will take in 2020 to turn the [Political Guidelines](#) of President **von der Leyen** into tangible benefits for European citizens, businesses and society. The driving force behind this first Work Programme is to successfully grasp the opportunities that the twin ecological and digital transitions will bring.

Ursula **von der Leyen** , President of the European Commission, said: " *This Commission is committed to tackle our generational challenges such as climate change, digitisation and migration. We are committed to deliver on the European Green Deal and to improve chances for European citizens and businesses in the digital transformation. This Work Programme will help building a Union that strives for more .* "

Maros **Šefčovič** , Vice-President in charge of Interinstitutional Relations and Foresight said: " *Bringing our ambitions to life is a team effort between all institutions, Member States and key partners. Therefore, the Commission Work Programme also reflects the main priorities of the European Parliament and the European Council. Moreover, for the first time, we have integrated insights on long-term trends that are shaping our economies and societies. Strategic foresight will be the compass guiding our work as we move to design future-proof policies that forcefully address the needs of all Europeans and strengthen the geopolitical position of our Union. "*

Kick-starting the transition to a fair, climate-neutral and digital Europe

In 2020, the European Commission will start turning the six headline ambitions of President **von der Leyen** into concrete initiatives that will then be negotiated and implemented in cooperation with the European Parliament, Member States and other partners:

- **A European Green Deal:** After tabling the first key initiatives in December 2019 and January 2020, the Commission will propose a European climate law to enshrine the 2050 carbon neutrality objective into legislation. A European Climate Pact will bring together all of these efforts, involving regions, local communities, civil society, schools, industry and individuals. The EU will also lead international negotiations ahead of the COP26 in Glasgow. The Commission will present initiatives to tackle the loss of biodiversity and – through a 'Farm to Fork' Strategy – support farmers in providing high quality, affordable and safe food in a more sustainable way.
- **A Europe fit for the digital age :** A new European Data Strategy will enable our Union to make the most of the enormous value of non-personal data as an ever-expanding and re-usable asset in the digital economy. This will cover the best possible use of the potential of digital data and the development and uptake of artificial intelligence that respects our European values and fundamental rights. A new Industrial Strategy for Europe will strengthen our industrial and innovation capacities, while the Digital Services Act will reinforce the single market for digital services and help provide smaller businesses with the legal clarity and level playing field they need.
- **An economy that works for people:** After presenting its first ideas on a strong social Europe in January 2020, the Commission will take action to embed the twin digital and climate transitions into our unique social market economy ensuring our economy combines social fairness, sustainability and



economic growth. While respecting national traditions, the Commission will put forward proposals to guarantee fair minimum wages for workers in the EU, for a European unemployment reinsurance scheme, and initiatives to ensure effective and fair taxation. The Commission will also propose a European Child Guarantee to ensure that children have access to basic services and will reinforce the Youth Guarantee to support the education of young people as well as the training and job opportunities they need.

- **A stronger Europe in the world** : The Commission will develop new strategies for working with our neighbours in Africa and the Western Balkans. The Commission will continue to push for the opening of accession negotiations with North Macedonia and Albania. In parallel, it will seek to keep up the momentum by putting forward ways to enhance the accession process, including on the enlargement methodology and on a reinforced investment framework. We will remain committed to upholding, updating and upgrading the rules-based order to make it fit for today's realities. To strengthen the geopolitical role of the Commission, all Work Programme initiatives will have a strong external dimension.
- **Promoting our European way of life** : The Commission will present a New Pact on Migration and Asylum - the centrepiece in the reform of the asylum policy. The Commission will also support the health protection of Europeans and lead the fight against cancer. Initiatives will help to step up investment in people's skills and help them to master the challenges of the digital and ecological transitions. The Commission will also put forward a new EU Security Union Strategy setting out the areas where the Union can bring added value to support Member States in ensuring security – from combatting terrorism and organised crime, to preventing and detecting hybrid threats and enhancing cybersecurity and increasing the resilience of our critical infrastructure.
- **A new push for European democracy** : Together with the other EU institutions and partners, the Commission will launch the Conference on the Future of Europe, engaging citizens to shape EU actions. The Commission will continue ensuring a strong rule of law culture in the EU. We will also look at how new demographic realities affect everything from employment, to social protection, public health, public finance and regional policy, digital connectivity, skills and integration and respond through initiatives on ageing for example.

A full list of the 43 new policy objectives under the six headline ambitions are set out in [Annex 1](#) of the Work Programme.

Applying political discontinuity

In preparing the Work Programme, the Commission examined all proposals that currently are awaiting decision by the European Parliament and the Council, and is proposing to withdraw and repeal 34 of them. Some of them do not match the new Commission's political priorities; for the majority of initiatives, the Commission remains strongly committed to deliver on their objectives. The Commission will reflect on better and more efficient ways to pursue the objectives and will consult the European Parliament and the Council before formalising the withdrawals.

A full list of the proposals for withdrawal is set out in [Annex 4](#) of the Work Programme.

Strengthening policy-making and implementation with a future perspective

As of 2020, the Commission will make greater use of its strategic foresight capacities to identify long-term trends, improve the Commission's priority setting and evidence-based policy-making. A reinforced Better Regulation framework will ensure that policies deliver tangible results and make the lives of people and businesses easier. In particular, the 'one-in, one-out' approach will ensure that newly introduced burdens are offset by relieving people and businesses – notably SMEs – of equivalent administrative costs at EU level in the same policy area. A Fit-for-future platform will also support the Commission's simplification efforts.

A full list of proposals for regulatory simplification is set out in [Annex 2](#) of the Work Programme.

Delivering the joint agenda



The Commission cooperated closely with the European Parliament, Member States and the consultative committees to draw up its Work Programme before presenting it. Continuing work in this team spirit, the Commission, the European Parliament and the Council will now start discussions for establishing a list of joint priorities on which co-legislators agree to take swift action.

For More Information

[Factsheets on Commission Work Programme](#)

[President von der Leyen's Political Guidelines](#)

[Past Commission Work Programmes and key documents](#)

[European Commission REFIT programme website](#)



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For further information please consult: <http://ec.europa.eu/social/easi>.

The opinions expressed in this publication do not necessarily reflect the official position of the European Commission.