



WECOOP NEWS BULLETIN

Issue 6 | 20 July 2021

INSIDE THIS ISSUE

1. Introduction
2. EU Policies and Legislation
 - 2.1 New EU Policies
 - 2.2 New EU Legislation in Progress
 - 2.3 New EU Legislation in Force
3. Reports and studies
 - 3.1 European Commission
 - 3.2 European Environment Agency (EEA)
 - 3.3 The World Bank
 - 3.4 International Energy Agency (IEA)
4. Contacts

1. INTRODUCTION

European Union – Central Asia Water, Environment and Climate Change Cooperation (WECOOP)

The EU renewed the project “**European Union – Central Asia Water, Environment and Climate Change Cooperation (WECOOP)**” in October 2019 to run for three years. The project will continue strengthening the policy dialogue on sustainable development between the CA partner countries and to facilitate their cooperation with the EU on environment and climate change. Specifically, the project efforts will be focused on improving and rationalising policies and enhancing the capacities of national ministries and government agencies working in relevant fields.

The WECOOP project aims to enhance environment, climate change and water policies in Central Asia through **approximation to EU standards** and to **promote green investments** in relevant sectors with the aim of contributing to measurable reductions in man-made pollution, including CO₂ emissions.

Priority areas for consultations and cooperation include **environmental governance, circular economy** and **sustainable consumption and production, climate change adaptation and mitigation, and water resources management.**

The **WECOOP News Bulletin** provides brief information on the recent developments in EU policies and legislation, as well as on new relevant reports and studies published by the European Environment Agency, OECD or other specialized agencies (UNEP, UNECE, WHO).

Detailed information on the WECOOP project is available at the project website <https://wecoop.eu>.

2. EU POLICIES AND LEGISLATION

2.1. NEW EU POLICIES

EU ACTION PLAN: “TOWARDS ZERO POLLUTION FOR AIR, WATER AND SOIL”

On 12 May 2021, the European Commission adopted the EU Action Plan: “Towards Zero Pollution for Air, Water and Soil”. The plan is a key deliverable of the European Green Deal and sets out an overarching, integrated vision for achieving by 2050: a world where **pollution is reduced to levels that are no longer harmful to human health and natural ecosystems**, whilst respecting our planetary boundaries.

Alongside efforts to achieve climate neutrality, the EU needs a more effective ‘**zero pollution hierarchy**’ (**prevent ➔ minimize + control ➔ eliminate + remediate**) taking into account principles enshrined in the EU Treaty: notably, that EU environmental policies should be based on the precautionary principle and on the principles that preventive action should be taken, that environmental damage should, as a priority, be rectified at source and that the polluter should pay.

The Action Plan sets the key 2030 targets for reducing pollution at source and outlines a number of flagship initiatives and key actions.

Detailed information on the EU Action Plan: “Towards Zero Pollution for Air, Water and Soil” can be found in the WECOOP News Bulletin Special Edition №1 at

Link (English): https://wecoop.eu/wp-content/uploads/2020/04/WECOOP-News-Bulletin_Special-Issue-1_310521.pdf

Link (Russian): <https://bit.ly/3zcv9oX>

TRANSFORMING THE EU’S BLUE ECONOMY¹ FOR A SUSTAINABLE FUTURE

The European Green Deal and the Recovery Plan for Europe will define the European economy for many years, or even decades. The EU’s blue economy is fundamental to both efforts. Not only should the blue economy adhere, like every other sector, to the European Green Deal. It is also indispensable to meet the EU’s environmental and climate objectives. After all, the ocean is the main climate regulator we have. It offers clean energy and sustains us with oxygen, food and many critical resources. There just can’t be green without blue. To fully embed the blue economy into the Green Deal and the recovery strategy, the EU has adopted a new approach for a sustainable

blue economy in the EU. The detailed agenda for the blue economy should help achieve the Green Deal’s objectives, and complement other recent initiatives on biodiversity, food, mobility, security, data and more:

The detailed agenda for the blue economy should help achieve the Green Deal’s objectives, and complement other recent initiatives on biodiversity, food, mobility, security, data and more:

- the blue economy contributes to climate change mitigation by developing offshore renewable energy, decarbonizing maritime transport and greening ports;
- it will make the economy more circular by renewing the standards for fishing gear design, for ship recycling and for the decommissioning of offshore platforms;
- developing green infrastructure in coastal areas will help preserve biodiversity and landscapes, while benefitting tourism and the coastal economy.

Rather than an exhaustive action plan, the new approach provides coherence across the blue economy sectors, facilitates their coexistence and looks for synergies in the maritime space, without damaging the environment. It also underlines the need for investment in research, skills and innovation.

Document: Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions **on a new approach for a sustainable blue economy in the EU Transforming the EU’s Blue Economy for a Sustainable Future** (COM/2021/240 final).

Link (English): <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=COM:2021:240:FIN>



¹According to the World Bank, the blue economy is the “sustainable use of ocean resources for economic growth, improved livelihoods, and jobs while preserving the health of ocean ecosystem.”. European Commission defines it as “All economic activities related to oceans, seas and coasts”.

POLITICAL AGREEMENT ON NEW COMMON AGRICULTURAL POLICY (CAP): FAIRER, GREENER, MORE FLEXIBLE

A fairer CAP

For the first time, the CAP will include social conditionality, meaning that CAP beneficiaries will have to respect elements of European social and labour law to receive CAP funds. Redistribution of income support will be mandatory. Member States will redistribute at least 10 % to the benefit of smaller farms, and must describe in their strategic plan how they plan to do this. Support for young farmers will have a new mandatory minimum level of 3 % of Member States' budgets for CAP income support to young farmers (farmers up to 40). This could cover income support, investment or start-up aid for young farmers.

A greener CAP

The new CAP will support the transition towards more sustainable agriculture with increased ambition for climate, environment and animal welfare. This will enable implementation through the National Strategic Plans in line with the Green Deal and its Farm to Fork and Biodiversity strategies. It also introduces new tools that, combined with the new way of working, will enable a more efficient and better-targeted environmental, climate and animal welfare performance.

- **Consistency with the European Green Deal:** The new CAP will fully integrate EU environmental and climate legislation. CAP Plans will contribute to the targets of the Farm to Fork and Biodiversity Strategies, and will be updated to take into account the changes in the climate and environmental legislation from the European Green Deal.
- **Conditionality:** the minimum requirements CAP beneficiaries have to comply with to receive support are now more ambitious. For example, on every farm at least 3 % of arable land will be dedicated to biodiversity and non-productive elements, with a possibility to receive a support via eco-schemes to achieve 7 %. All wetlands and peatlands will be protected.
- **Eco-schemes** will be mandatory for Member States to offer. This new voluntary instrument will reward farmers for implementing climate and environmentally-friendly practices (organic farming, agroecology, integrated pest management, etc.) as well as animal welfare improvements. Member States must allocate at least 25 % of their income support budget to eco-schemes, a total of EUR 48 billion of the direct payments budget.
- **At least 35 % of rural development funds will be allocated to agri-environment commitments, which promote environmental, climate and animal welfare practices.**
- The CAP budget must contribute significantly to the Union's overall climate spending. To ensure a realistic and

robust calculation, by 2025 the Commission will propose a new, differentiated approach that moves beyond the existing methods.

A more flexible CAP

The new CAP introduces a new way of working, where each Member State will draft a national CAP strategic plan describing how the CAP objectives as well as the Green Deal objectives as described in the Farm to Fork and Biodiversity Strategies will be achieved.

In addition, the new CAP focuses on performance thanks to **strengthening the position of farmers in a competitive agri-food sector**. The new CAP maintains an overall market orientation, with EU farms operating according to market signals while taking advantage of opportunities outside the EU resulting from trade. It also reinforces the position of farmers in the food supply chain by expanding the possibilities for farmers to join forces, including by means of certain exceptions from competition law. A new agricultural reserve will be introduced to fund market measures in times of crises, with an annual budget of at least EUR 450 million.

More information (English): https://ec.europa.eu/commission/presscorner/detail/en/IP_21_2711

2.2. NEW EU LEGISLATION IN PROGRESS

REVISION OF THE AMBIENT AIR QUALITY DIRECTIVES

Clean air is essential for our health and that of the environment. To this end, the EU sets standards to avoid the build-up of excessive pollution concentrations. **As part of the European Green Deal, the EU is revising these standards, to align them more closely with the recommendations of the World Health Organization** (the Air Quality Guidelines of the WHO are currently under revision). **The EU also aims to improve overall EU legislation for clean air**, building on the lessons learnt from the 2019 evaluation ('fitness check') of the Ambient Air Quality Directives.

The objective of the initiative is to further enhance the EU air quality legislation to avoid, prevent or reduce the harmful effects of air pollution on human health and the environment, in line with the European Green Deal's zero pollution ambition. The Commission has published an Inception Impact Assessment, to guide the underpinning work to assess the impacts of a possible revision of the Ambient Air Quality Directives, planned for 2022.

More information: https://ec.europa.eu/environment/air/quality/revision_of_the_aaq_directives.htm

CARBON BORDER ADJUSTMENT MECHANISM (CBAM)

WECOOP News Bulletin Special Issue 2 on CBAM will be

published and circulated immediately after the regulation on the establishment of the CBAM is approved by the European Parliament and the Council.

2.3. NEW EU LEGISLATION IN FORCE

THE EUROPEAN CLIMATE LAW

First climate action initiatives under the Green Deal include European Climate Law to enshrine the 2050 climate-neutrality objective into EU law.

Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving climate neutrality and amending Regulations (EC) No 401/2009 and (EU) 2018/1999

The new European Climate Law has been published in the Official Journal of the European Union on 9 July 2021 and shall enter into force on the twentieth day following that of its publication. This law shall be binding in its entirety and directly applicable in all Member States.

In addition to the goal of climate-neutrality and an aspirational goal for the EU to strive to achieve negative emissions after 2050, the European Climate Law sets a binding EU climate target of a reduction of net greenhouse gas emissions (emissions after deduction of removals) of at least 55 % by 2030 compared to 1990. To ensure that sufficient efforts to reduce and prevent emissions are deployed until 2030, the Climate Law introduces a limit of 225 million tons of CO₂ equivalent to the contribution of removals to that target. The EU will also aim to achieve a higher volume of carbon net sink by 2030. The European Climate Law establishes a European Scientific Advisory Board on Climate Change. The Board will provide independent scientific advice and produce reports on EU measures, climate targets, and indicative greenhouse gas budgets and their coherence with the European Climate Law and the EU's international commitments under the Paris Agreement.

The European Commission (EC) will propose an intermediate climate target for 2040, if appropriate, at the latest within six months after the first global stocktake under the Paris Agreement. It will also publish a projected indicative EU greenhouse gas budget for 2030-2050, along with its underlying methodology. The budget is defined as the indicative total volume of net greenhouse gas emissions (expressed as CO₂ equivalent and providing separate information on emissions and removals) that are expected to be emitted in that period without putting at risk EU commitments under the Paris Agreement. EC will engage with sectors of the economy that choose to prepare indicative voluntary roadmaps toward achieving the EU climate-neutrality objective by 2050. In addition to monitoring the development of such roadmaps, EC will facilitate dialog at the EU-level, along with the sharing of best practices among relevant stakeholders.

Link: <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32021R1119&from=EN>

INVESTMENT GUIDELINES

Commission Delegated Regulation (EU) 2021/1078 of 14 April 2021 supplementing Regulation (EU) 2021/523 of the European Parliament and of the Council by setting out the investment guidelines for the InvestEU Fund (see WECOOP News Bulletin No 5).

The InvestEU Fund is to operate under four policy windows reflecting Union policy priorities, namely, sustainable infrastructure, research, innovation and digitalisation, small and medium-sized enterprises, and social investment and skills. The investment guidelines consist of a horizontal part, which applies to all financing and investment operations under the InvestEU Fund, and a 'policy windows' part, which lays down specific provisions for financing and investment operations under each policy window.

Link: <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32021R1078&from=EN>

3. REPORTS AND STUDIES

3.1. EUROPEAN COMMISSION

- **Wider environmental impacts of industry decarbonisation. Final Report.**

Industry faces major challenges to handle the transition towards an economy with net-zero greenhouse gas (GHG) emissions by 2050. Whilst there is a growing literature seeking to understand how this transition will unfold, there is currently limited understanding of what the wider environmental impacts could be from the transformation. Furthermore, there is little knowledge on the possible untapped potential of installations within sectors covered by the Industrial Emissions Directive (IED) to contribute to the circular economy. The objective of the study was to provide the first overview of the potential wider environmental impacts of the transition of industry under the scope of the IED to a low carbon economy, and to get a better understanding of the potential of IED plants to contribute to a circular economy. The study compiled information from both literature and stakeholder consultations.

The results illustrate the variety in the type of technologies and their potential impact on GHG emission reductions, covering both innovative and more established technologies. There are significant uncertainties in terms of direct and indirect environmental impacts, often related to the maturity of the decarbonisation technologies. **The study concludes that many IED installations have made considerable progress in resource efficiency and circular economy. There is, however, no “magic bullet” in the application of IED to further improve circular material use by IED installations.**

Link (English): <https://bit.ly/3xpD81n>

3.2. EUROPEAN ENVIRONMENT AGENCY

- **Urban Sustainability in Europe: What is driving cities' environmental change?** (EEA Report No. 16/2020)

It is becoming increasingly clear that the complex and interrelated challenges of climate change, environmental degradation and rising inequality will not be solved without a fundamental transformation of our societies. Far-reaching changes are needed to our technologies and infrastructures, cultures and lifestyles, as well as adaptations to the corresponding governance and institutional frameworks. Around the world, these important system innovations are converging in cities.

Link (English): <https://www.eea.europa.eu/publications/urban-sustainability-in-europe-what>

- **Nature-based solutions in Europe: Policy, knowledge and practice for climate change adaptation and disaster risk reduction** (EEA Report No 1/2021)

Working with nature can help prevent the worst impacts of climate change, and biodiversity and ecosystem loss. Nature-based solutions offer ways to do this. Science and policy have begun to recognise their potential. The knowledge base is expanding rapidly, with gaps identified and plans to fill them. However, challenges for implementation remain at the local level, as demonstrated by the case studies in this report.

Link (English): <https://www.eea.europa.eu/publications/nature-based-solutions-in-europe>

3.3. THE WORLD BANK

- **The Economic Case for Nature: A Global Earth-Economy Model to Assess Development Policy Pathways**

This report presents a first-of-its-kind global integrated ecosystem-economy modelling exercise to assess economic policy responses to the global biodiversity crisis. Modelling the interaction between nature's services and the global economy to 2030, the report points to a range and combination of policy scenarios available to reduce the impact of nature's loss on economies. This modelling framework represents an important stepping stone towards 'nature-smart' decision-making, as it seeks to support policymakers who face complex trade-offs involving the management of natural capital, and hence achieving growth that is resilient and inclusive.

Link (English): <https://openknowledge.worldbank.org/handle/10986/35882>

3.4 INTERNATIONAL ENERGY AGENCY (IEA)

- **Net Zero by 2050. A Roadmap for the Global Energy Sector.** IEA Flagship report – May 2021

This report maps out how the global energy sector can reach net zero by 2050. Despite the current gap between rhetoric and reality on emissions, this Roadmap shows

that there are still pathways to reach net zero by 2050. The one on which the report focuses is the most technically feasible, cost-effective and socially acceptable. Even so, that pathway remains narrow and extremely challenging, requiring all stakeholders – governments, businesses, investors and citizens – to take action this year and every year after so that the goal does not slip out of reach.

This report sets out clear milestones – more than 400 in total, spanning all sectors and technologies – for what needs to happen, and when, to transform the global economy from one dominated by fossil fuels into one powered predominantly by renewable energy like solar and wind. The proposed pathway requires vast amounts of investment, innovation, skilful policy design and implementation, technology deployment, infrastructure building, international co-operation and efforts across many other areas.

The pathway laid out in this Roadmap is global in scope, but each country will need to design its own strategy, taking into account its specific circumstances. There is no one-size-fits-all approach to clean energy transitions. Plans need to reflect countries' differing stages of economic development: in the selected pathway, advanced economies reach net zero before developing economies do. As the world's leading energy authority, the IEA stands ready to provide governments with support and advice as they design and implement their own roadmaps, and to encourage the international co-operation across sectors that is so essential to reaching net zero by 2050.

Link (English): <https://www.iea.org/reports/net-zero-by-2050>

4. CONTACTS

European Union

92 Avenue Reine Astrid
1310 La Hulpe, Belgium
Phone: +32 2 655 22 30

Central Asia

Office 15, 5/2 Dostyk street
Z05H9M3 Nur-Sultan, Kazakhstan
Phone: +7701 206 6760

info@wecoop.eu
www.wecoop.eu

@wecoopproject

This bulletin was produced with the financial support of the European Union. Its contents are the sole responsibility of the consortium led by Stantec and do not necessarily reflect the views of the European Union.