



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 Environment Agency
- 3.2 Organisation for Economic Cooperation and Development (OECD)
- 3.3 World Health Organisation (WHO)
- 3.4 United Nations Environment Program Convention on Biodiversity
- 3.5 World Wide Fund for Nature (WWF)
- 4. Events
 - 4.1 The United Nations Summit on Biodiversity
- 5. 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 countries partners, 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 the 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 CO_2 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.

This 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 or other specialized agencies.

The present issue of WECOOP News Bulletin is mainly focused on new initiatives of the EU in the field of climate, announced in September 2020.

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

2. EU POLICIES AND LEGISLATION

2.1. NEW EU POLICIES

STATE OF THE UNION 2020

In her State of the Union address on 16 September 2020, President of the European Commission Ursula von der Leyen presented her vision for a Europe that emerges stronger from the pandemic and leads the way towards a new vitality. With NextGenerationEU, Europe has a once in a lifetime opportunity to make change happen by design. It has the vision, the plan, the investment. To enable Europe to become green, digital and more resilient, the European Commission will focus among others on reinforcing the building blocks of the European Green Deal and raising its ambitions.

On this basis, the European Commission is proposing to increase the 2030 target for GHG emission reduction to at least 55% (instead of previous 40 % reduction).

Document: State of the Union Address 2020: Building the world we want to live in: A Union of vitality in a world of fragility Link (English): <u>https://ec.europa.eu/info/sites/info/files/soteu_2020_en.pdf</u>

STATE OF THE UNION 2020 - MAIN INITIATIVES: EUROPEAN GREEN DEAL

- Legislative proposal on revision of the EU emission trading system (ETS)
- Effort-Sharing Regulation
- Revision of the Renewable Energy Directive, the Energy Efficiency Directive and the Directive on Energy Performance of Buildings
- Revision of the Regulation on Greenhouse Gas Emissions and Removals from Land Use, Land Use Change and Forestry
- Legislative proposal to address methane emissions in the energy sector, revision of the regulatory framework for competitive decarbonised gas markets and revision of the Energy Taxation Directive
- Revision of the Directive on Intelligent Transport Systems and the Directive on Deployment of Alternative Fuels Infrastructure
- Revision of the Regulation setting CO₂ emission performance standards for cars and light commercial vehicles and legislative proposal on development of post-Euro6/ VI emission standards for cars, vans, lorries and buses
- Legislative proposal for a sustainable product policy initiative
- "European Hydrogen Valleys"
- "European Renovation Wave"
- 1 million electric charging points
- The new European Bauhaus

Document: State of the Union 2020 – main initiatives: European Green Deal – Factsheet

Link (English): <u>https://ec.europa.eu/info/sites/info/files/</u> soteu2020-factsheet-main-initiatives_en.pdf

THE 2030 CLIMATE TARGET PLAN

The European Commission presented on 17.9.2020 its plan to reduce EU greenhouse gas emissions by at least 55% by 2030, compared to 1990 levels. This level of ambition for the next decade will put the EU on a balanced pathway to reaching climate neutrality by 2050. The new target is based on a comprehensive Impact Assessment of the social, economic and environmental impacts. The Assessment demonstrates that this course of action is realistic and feasible. This raised ambition also underlines the EU's continued global leadership, ahead of the next UN climate conference (COP26). The Commission has:

- tabled an amendment to the proposed European Climate Law, to include the 2030 emissions reduction target of at least 55% as a stepping stone to the 2050 climate neutrality goal;
- invited the Parliament and Council to confirm this 55% target as the EU's new Nationally Determined Contribution (NDC) under the Paris Agreement, and to submit this to the UNFCCC by the end of this year;
- set out the legislative proposals to be presented by June 2021 to implement the new target, including: revising and expanding the EU Emissions Trading System; adapting the Effort Sharing Regulation and the framework for land use emissions; reinforcing energy efficiency and renewable energy policies; and strengthening CO₂ standards for road vehicles.

Document: Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions: **Stepping up Europe's 2030 climate ambition: Investing in a climate-neutral future for the benefit of our people; Brussels,** 17.9.2020; COM(2020) 562 final

Link (English): <u>https://ec.europa.eu/clima/sites/clima/files/</u> eu-climate-action/docs/com_2030_ctp_en.pdf

Supporting Documents – Impact Assessment (English): Summary: <u>https://ec.europa.eu/clima/sites/clima/files/</u> <u>eu-climate-action/docs/impact_exec_en.pdf</u> Full text – part 1: <u>https://ec.europa.eu/clima/sites/clima/files/</u> <u>eu-climate-action/docs/impact_en.pdf</u>

Full text - part 2: <u>https://ec.europa.eu/clima/sites/clima/files/</u> eu-climate-action/docs/impact_part2_en.pdf



2.2. NEW EU LEGISLATION IN PROGRESS

EUROPEAN CLIMATE LAW - AMENDED PROPOSAL

The original legislative proposal was submitted to the European Parliament, the Council, the Economic and Social Committee and the Committee of the Regions for further consideration under the ordinary legislative procedure (see WECOOP News Bulletin Issue 2).

The original proposal stated that the Commission would present by September 2020 an impact assessed plan to increase the EU's greenhouse gas emission reduction target for 2030 to at least 50% and towards 55% compared with 1990 levels in a responsible way, and that the Commission would propose to amend the proposal accordingly. The 2030 Climate Target Plan demonstrates that increasing the EU's emission reduction target for 2030 to at least 55% is both feasible and beneficial. With a view to achieving climate neutrality in the Union by 2050, it is therefore proposed that the EU's greenhouse gas emission reduction target for 2030 is increased to at least 55% compared with 1990 levels, including emissions and removals.

Document: Amended proposal for a Regulation of the European Parliament and of the Council on establishing the framework for achieving climate neutrality and amending Regulation (EU) 2018/1999 (European Climate Law); Brussels, 17.9.2020; COM(2020) 563 final

Link (English): <u>https://ec.europa.eu/clima/sites/clima/files/</u> eu-climate-action/docs/prop_reg_ecl_en.pdf

CARBON BORDER ADJUSTMENT MECHANISM (CBAM)

The European Green Deal adopted by the Commission on 11 December 2019 includes the goal of enshrining the long-term objective of climate neutrality by 2050 in legislation and increasing the EU's climate ambition to reduce greenhouse gases emissions by 50-55% from 1990 levels by 2030. In this context, the European Green Deal emphasized that "should differences in levels of ambition worldwide persist, as the EU increases its climate ambition, **the Commission will propose a carbon border adjustment mechanism, for selected sectors, to reduce the risk of carbon leakage**".

The European Commission launched a public consultation on the possible adoption of a new EU Carbon Border Adjustment Mechanism ("CBAM") in July 2020 with the deadline as of 28 October 2020.

CBAM Impact Assessment (English): <u>https://ec.europa.eu/info/</u> law/better-regulation/have-your-say/initiatives/12228-Carbon-Border-Adjustment-Mechanism

Trade-related aspects of carbon border adjustment mechanisms (English): <u>https://www.europarl.europa.eu/RegData/etudes/</u> BRIE/2020/603493/EXPO_BRI(2020)603493_EN.pdf

2.3. NEW EU LEGISLATION IN FORCE

REGULATION (EU) 2020/852 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL OF 18 JUNE 2020 ON THE ESTABLISHMENT OF A FRAMEWORK TO FACILITATE SUSTAINABLE INVESTMENT, AND AMENDING REGULATION (EU) 2019/2088



The Taxonomy Regulation sets out the criteria to be considered when determining the degree to which an economic activity or product qualifies as 'environmentally sustainable'. An economic activity can be deemed environmentally sustainable if it:

1. makes a substantial contribution to at least one of the six environmental objectives in the Taxonomy Regulation (see below) or directly enables other activities to make a substantial contribution to one or more of those objectives;

2. does not significantly harm any of the environmental objectives;

3. is carried out in compliance with set minimum safeguards (being procedures implemented by the undertaking that is carrying out the economic activity to ensure alignment with international guidelines, including the UN's Guiding Principles on Business and Human Rights); and

4. complies with technical screening criteria (to be established by the European Commission in due course via delegated acts), which will provide conditions under which a specific economic activity qualifies as contributing 'significant-ly,' or causing 'significant harm', to environmental objectives.

The environmental objectives in the Taxonomy Regulation are:

a. climate change mitigation (this means holding the increase in the global average temperature to under 2°C and pursuing efforts to limit it to 1.5°C above pre-industrial levels);

b. climate change adaptation (this is the adjustment to actual and expected climate change and its impacts);

c. the sustainable use and protection of water and marine resources;

d. the transition to a circular economy (this is an economic system whereby the value of products, materials and other resources in the economy is maintained for as long as possible);
e. pollution prevention and control; and

f. protection and restoration of biodiversity and ecosystems (biodiversity being variability among living organisms, and ecosystems meaning dynamic complexes of plant, animal and micro-organism communities and their non-living environment, which interact as a functional unit).

The taxonomy will apply to all financial products being offered in the EU, rather than just to "green" funds, and companies covered by the Non-Financial Reporting Directive (large public interest entities in the EU with more than 500 employees) will be required to report against the Taxonomy. Link (English): <u>https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32020R0852&from=EN</u>

3. REPORTS AND STUDIES

3.1. EUROPEAN ENVIRONMENT AGENCY

Healthy environment, healthy lives: how the environment influences health and well-being in Europe EEA Report No 21/2019 Link (English): <u>https://www.eea.europa.eu/publications/</u> healthy-environment-healthy-lives

3.2. ORGANISATION FOR ECONOMIC COOPERATION AND DEVELOPMENT (OECD)

Improving resource efficiency and the circularity of economies for a greener world

OECD Environment Policy Paper No. 20 Link (English): <u>https://doi.org/10.1787/1b38a38f-en</u>

Nature-based solutions for adapting to water-related climate risks OECD Environment Policy Paper No. 21

Link (English): https://doi.org/10.1787/2257873d-en

The Consequences of a more resource efficient and circular economy for international trade patterns: A modelling assessment OECD Environment Working Papers No. 165 Link (English): <u>https://doi.org/10.1787/fa01b672-en</u>

Addressing the social consequences of tariffs for water supply and sanitation OECD Environment Working Papers No. 165 Link (English): <u>https://doi.org/10.1787/afede7d6-en</u>

The jobs potential of a transition towards a resource efficient and circular economy

OECD Environment Working Papers No. 167 Link (English): <u>https://doi.org/10.1787/28e768df-en</u>

Aligning short-term climate action with long-term climate goals: Opportunities and options for enhancing alignment between NDCs and long-term strategies OECD and IEA Climate Change Expert Group Paper No.2020(2) Link (English): <u>https://doi.org/10.1787/7c980fce-en</u>

3.3. WORLD HEALTH ORGANISATION

Water, sanitation, hygiene, and waste management for SARS-CoV-2, the virus that causes COVID-19: Interim guidance

Link (English): <u>https://www.who.int/publications/i/item/</u> WHO-2019-nCoV-IPC-WASH-2020.4

Link (Russian): https://www.who.int/ru/publications/i/item/WHO-2019-nCoV-IPC-WASH-2020.4

3.4. UNITED NATIONS ENVIRONMENT PROGRAM - CONVENTION ON BIODIVERSITY

The Global Biodiversity Outlook 5 (GBO-5)

Link (English): <u>https://www.cbd.int/gbo/gbo5/publication/</u>gbo-5-en.pdf

Link (Russian): https://www.cbd.int/gbo/gbo5/publication/gbo-5-ru.pdf

3.5 WORLD WIDE FUND FOR NATURE (WWF)

Living Planet Report 2020

Link (English): <u>https://www.worldwildlife.org/publications/</u> living-planet-report-2020

4. EVENTS

THE UNITED NATIONS SUMMIT ON BIODIVERSITY

The summit was convened by the President of the UN General Assembly on 30 September 2020 at the level of Heads of State and Government under the theme of "Urgent action on biodiversity for sustainable development". A record number of countries – nearly 150 countries and 72 Heads of State and Government – addressed the first ever Summit held on biodiversity to build political momentum towards the post-2020 global biodiversity framework, to be adopted at COP15 in Kunming, China, next year. The Summit has followed the Leader's Pledge, which saw 74 countries commit to preserving biodiversity, sending "a united signal to step up global ambition for biodiversity and to commit to matching our collective ambition for nature, climate and people with the scale of the crisis at hand".

Link Summit on Biodiversity (English): <u>https://www.cbd.int/</u> <u>article/2020-UN-Biodiversity-Summit</u> Link Leaders Pledge (English): <u>https://www.leaderspledgefornature.</u> <u>org/Leaders Pledge for Nature 27.09.20.pdf</u>

5. CONTACTS



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