

A satellite night view of Europe, showing the continent's outline and the dense network of city lights in yellow and orange against the dark blue background of the night sky. The lights are most concentrated in Western and Central Europe, with a few bright spots in Eastern Europe and the Mediterranean region.

# EU's Green Deal and its road to circularity

Bas Eickhout



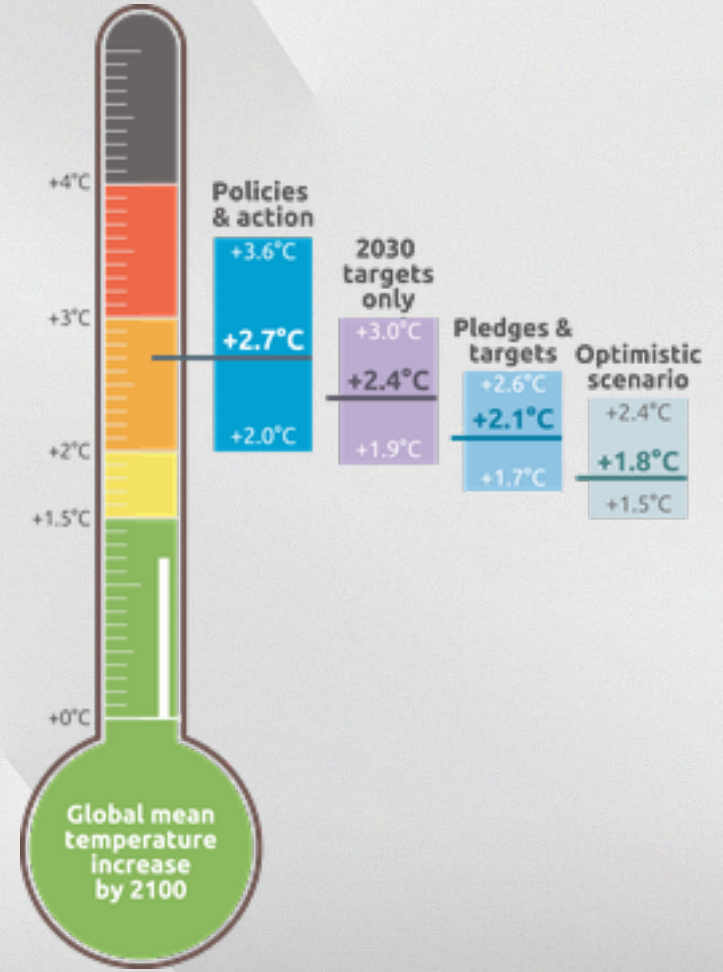
**The EU as a global leader**

**A European Climate Pact**

# 3 ambitions for 2050

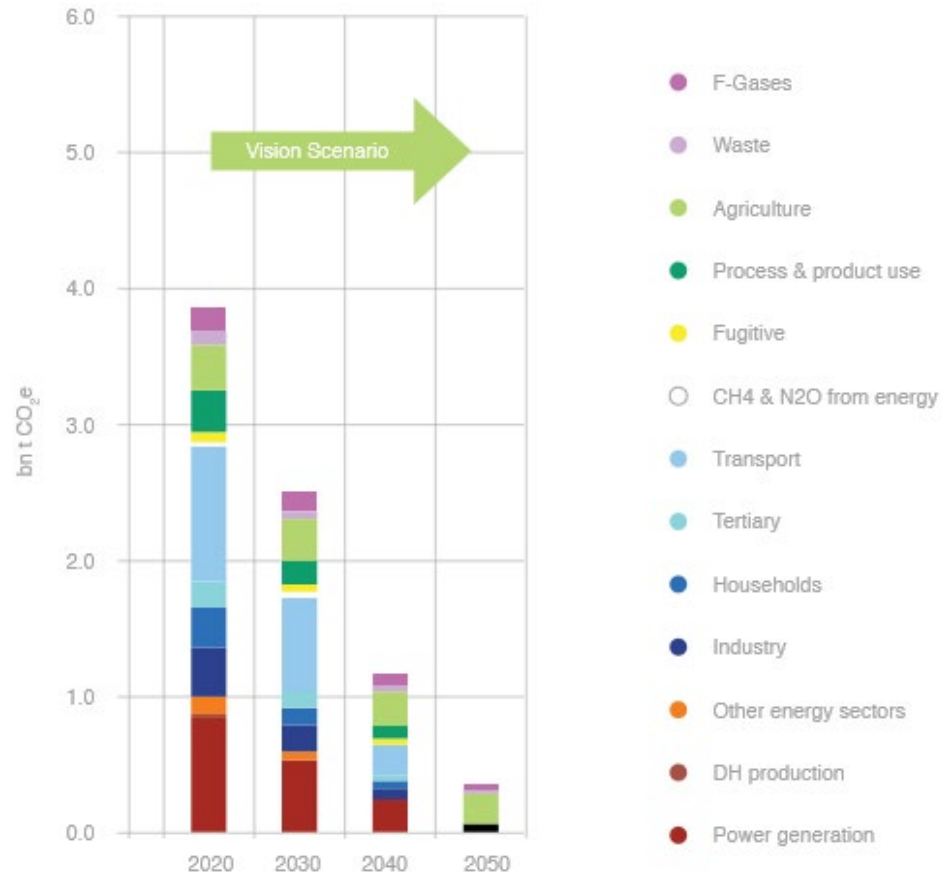
- Climate neutral
- Fully circular
- Zero pollution

# Most attention to climate neutrality



# Climate neutrality by 2050

Greenhouse gas emissions - deep and fast decarbonisation of all sectors



source: Öko-Institut

# Legislation in place

- Climate law: climate neutrality in 2050; and -55% in 2030
- Waste package (setting recycling targets), including ban on single-use plastic
- Common Agricultural Policies (subsidies set until 2027)



# Legislation being worked at

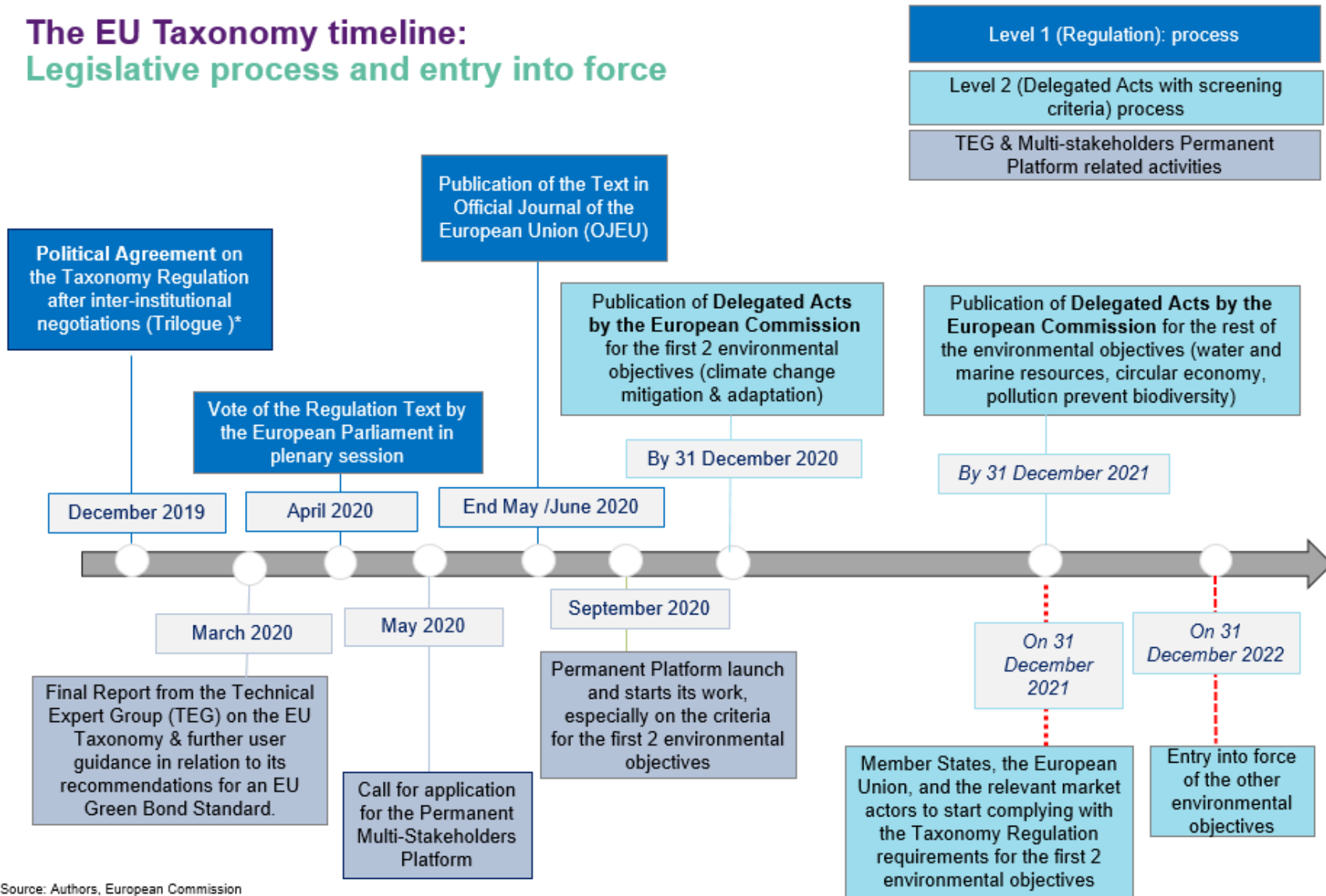
- Fit for 55: Legislation to deliver on -55% GHG emissions by 2030 (main element: carbon pricing)
- Circular package (released March 30): Sustainable Products Initiative as key (expanding Ecodesign, plus an EU Digital Product Passport)
- Zero pollution package (including Industrial Emissions Directive)



# Financing the Green Deal

- Two different worlds in policy making: environmental policies and economic policies
- Sustainable Finance: bridging the gap
- Taxonomy...

# The EU Taxonomy timeline: Legislative process and entry into force



# Financing the Green Deal

- Two different worlds in policy making: environmental policies and economic policies
- Sustainable Finance: bridging the gap
- Taxonomy → April 2022: Climate still under discussion

# Sustainable Finance: Agenda

- Addressing ESG risks: stricter prudential requirements for fossil exposure
- Taxonomy for harmful activities
- Making green investments the new normal: Corporate Sustainability Reporting Directive
- Increasing Sustainable Public Finance (EIB, SGP, RRF)



**Questions?**