



E3G

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UNPACKING THE EU'S FIT FOR 55 PACKAGE

WILL IT DELIVER ON THE EU'S CLIMATE TARGETS?

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WHAT IS AT STAKE?



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> **Turning commitments into action:** The EU is legally bound to decrease its emissions by at least 55% below 1990 levels by 2030 and to achieve climate neutrality by 2050. Does the Fit for 55 package put the EU on track to reach these targets?



> **Maintaining political consensus on the European Green Deal:** The Fit for 55 package spells out what “deep decarbonisation” of the EU’s economy means. Does it convince Member States to implement the European Green Deal at home?

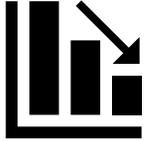


> **Transforming the market:** The Fit for 55 package kicks-off the transition of all economic sectors. Does it create incentives to develop green competitive markets?



> **Sending an international signal:** Countries aiming for climate neutrality now account for 75% of the world’s GDP but the EU is the first to underpin targets with legislation. Will the Fit for 55 package become an international model for economic and societal transformation?

DOES THE FIT FOR 55 PACKAGE DELIVER?



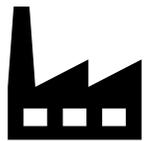
> Turning commitments into action:

- (+) Sectoral targets set conditions to go beyond 55%
- (-) Short-sighted solutions (e.g. gas, hydrogen blending) may delay progress



> Maintaining political consensus on the European Green Deal:

- (+) Solidarity between countries but EU-wide transition opportunities unclear
- (-) Social dimension relies on financial compensation (Social Climate Fund)



> Transforming the market:

- (+) Balance of carbon pricing vs regulatory instruments
- (-) Lacking investment clarity over fossil fuel phase out trajectory
- (-) Favourable treatment of energy intensives without requiring much in return



> Sending an international signal:

- (+) Credible steps to turn commitments into action
- (-) Unclear international engagement strategy

LOOKING AHEAD



WHAT WILL STAY?

- > Determination to back EU climate targets with concrete action in all sectors and bringing together economic, climate, and social agendas

WHAT COULD CHANGE?

- > Targets and timelines
- > Carbon pricing for transport and buildings
- > Carbon Border Adjustment Mechanism
- > And a lot more...

THANK YOU!

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ABOUT E3G



E3G is an independent climate change think tank accelerating the transition to a climate safe world.

E3G builds cross-sectoral coalitions to achieve carefully defined outcomes, chosen for their capacity to leverage change. E3G works closely with like-minded partners in government, politics, business, civil society, science, the media, public interest foundations and elsewhere. In 2018, for the third year running, E3G was ranked the fifth most globally influential environmental think tank.

More information is available at www.e3g.org