

CLIMATE

RESOLUTION

EPP VISION FOR A SUSTAINABLE PLANET CUTTING THE EMISSIONS WHILE CREATING JOBS



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EPP vision for a sustainable planet

Cutting the emissions while creating jobs

Climate change is a reality, it affects all of us and the EPP remains firmly committed to tackling it. For more than a decade, the EPP has been driving the EU climate action agenda.

Yet global warming remains a global problem and with the EU being responsible for less than 10% of the world's CO₂ emissions, all hands on deck are needed. From the 2009 Bonn Climate Change Conference up to the historic adoption of the internationally binding Paris Agreement in 2015, the EPP has supported EU-led international efforts to limit global warming to 1.5 degrees Celsius.

However, this is not the time for complacency. We need to step up our efforts. The alarming scientific evidence shows that the current measures do not address the scale of the problem, while the effects are becoming more and more tangible in our daily lives and they are happening faster than predicted by most scientists. The steadily rising temperatures in the oceans are killing the marine ecosystems and melt the Arctic ice – with strong effects on weather and climate patterns. The unprecedented melting of the Greenland Ice-sheet, wildfires and thawing permafrost across the Arctic during this summer are stark reminders that we need to act urgently. The weather extremes are regularly costing lives and livelihoods while people develop respiratory diseases from worsening air quality. Biodiversity is under threat as the nature struggles to coexist with an increasing world population, monocultures, waste and pollution.

The next generations are rightly concerned about the state of our planet being passed on to them. At the same time, they are ready to act and contribute to the change. Businesses increasingly see the benefits of the new sustainable economy. We don't need fatalism but ambition and action. Let us use this momentum and invest in a better future for our children.

1. Setting ambitious but feasible targets to make EU carbon-neutral by 2050

The EU has already committed to reducing its greenhouse gas emissions by 40% by 2030 (from 1990 levels) and aims to become carbon-neutral by 2050. But we need to be more ambitious. Therefore, the EPP supports the President Ursula von der Leyen's Commission to put forward proposals to reduce emissions by at least 50% by 2030. Climate scepticism and denial were never a way forward but neither are utopian environmentalist policies or green socialism which threaten our economic future and jobs. We need coherent policies and harmonised standards that work and deliver the necessary emission reductions. The EPP doesn't believe

in restricting or banning everything – we want to support the social market economy and create the right incentives for citizens and businesses to reduce their carbon footprint. At the same time, the UN Sustainable Development Goals (SDGs) are an integral part of the EPP policy. There is no silver bullet solution and investments in research and development of all available low-carbon and carbon-free technologies to reduce greenhouse gases are necessary to achieve zero net emissions as well as to boost the capture, storage and utilisation of CO2 emissions from the atmosphere including their absorption through carbon sinks. Climate-friendly innovations will spur new areas of economic growth and job creation. Only such forward-looking proposals can engage the citizens and businesses and deliver climate results together with prosperity.

In 2005, the EPP stood at the creation of the EU carbon trading as the cornerstone of EU's policy to reduce industry's CO2 emissions in the most cost-effective way. The mechanism has evolved and become the world's biggest international emissions trading system, serving as an inspiration and a model for other countries around the globe. The most recent reform, supported by the EPP, has made it fit for the next decade. The carbon price could be further stimulated by including more sectors of the economy in the trading scheme. Putting a price on greenhouse gas emissions in all areas is crucial for reducing emissions. At the same time, the EU must ensure there is a level playing field with international competition from countries with less stringent climate policies.

Clean transition will need to involve all sectors of the economy and be supported by public and private investment. The transport sector has huge potential for transitioning to low carbon mobility. Electrification supported by adequate charging networks, the use of hydrogen, alternative fuels including biogas and advanced biofuels which don't threaten food production and biodiversity, smart urban solutions – we are ready to enable these innovations while applying CO2 emission limits to new passenger cars and heavy-duty vehicles. The aviation and the shipping industry will need to contribute on equal terms to the solution – also in order to create a level-playing field among different forms of transport. Therefore, the EU should renegotiate the Chicago Convention to be able to end the aviation fuel tax exemption. In addition to reducing carbon emissions, local measures to improve the air quality in cities are already bringing results.

The Energy Union must be accelerated, energy storage capacities ought to be enhanced and the interconnection capacities between and within the EU and neighbouring countries should be improved so that energy can be distributed across the continent and the share of intermittent renewable energies increased. This is important especially for the economic perspective of the European industry. While every EU country relies on its own energy mix, nuclear power can be a bridge technology in transition towards low carbon and carbon-free electricity generation provided it complies with the strict European environmental and nuclear safety standards. Renewables and energy efficiency, including in buildings, are far from reaching their full potential. Smart financing schemes would enable retrofitting of

houses and heating systems. Households can modulate their energy demand using smart meters. We must end fossil fuel subsidies and redirect the support to technologies for capturing, storing and re-using the CO₂ in sectors where we will still need hydrocarbons. This is especially important for coal and lignite which emit the most GHG emissions. The evidence of leakage of methane emissions confirms that shale gas cannot be compatible with a sensible climate policy. Low-carbon energy-efficient hydrogen (“blue hydrogen”) will play an important role in decarbonising the energy and industry sectors and in building up an infrastructure that paves the way for transforming renewable energy into storable green hydrogen.

23% of global greenhouse gas emissions originate from the agriculture and forestry sectors, in the EU it is 10%. More sustainable farming should mitigate the environmental impacts and protect soil quality, water and biodiversity by optimising the methods of production such as the use of pesticides and fertilisers. The soils should be turned into carbon sinks instead of being emitters. Smart agriculture as well as the use of biomass in cycles can further reduce the emissions from farming while increasing the rates of afforestation in the forest sector will create important carbon sinks.

Even with the most ambitious efforts to reduce the global emissions we already need to brace for the impacts of climate change today with a special attention to resilience against natural disasters including flooding, droughts and wildfires.

In a bigger picture, transforming our consumption patterns into a circular economy where waste is a resource, is the way forward. We must decrease amounts of plastics we produce, use and throw away so that they do not end up in the oceans. This includes the single-use cigarette filters full of hazardous substances which are globally the most commonly discarded piece of waste. Burning waste to generate electricity is not a solution unless the toxic pollution from the process is tackled.

2. Empowering the people

The EPP understands that climate policies have significant social impacts capable of mobilising people in all directions. While young students and pupils demand that we take climate change seriously, their parents often struggle with rising fuel costs, new road tolls or worries about the effects on the value of their property if a wind turbine is built nearby. At the same time, good air-quality and clean environment greatly contribute to people’s health and should be a priority.

All citizens’ concerns need to be heard and answered. By putting an effective price on carbon, considerable revenues would be collected to alleviate the social costs of the low carbon transition in regions reliant on fossil fuels in addition to the set-aside EU funding. Further fiscal advantages should be available for those in rural areas without access to proper public transport. At the same time, municipalities and cities are in a central role for climate friendly

investments, e.g. in the fields of energy and mobility. The EU can help them in preparing their investment strategies and finding ways to finance them.

The carbon footprint of each action must be identifiable to help individuals make better-informed choices about their next purchase and adapt their habits accordingly. Placing emphasis on the life cycle of products as well as the take-up of the sharing economy would further optimise people's consumption patterns. Schools should teach children about sustainable living from an early age and local communities should engage the society in climate-friendly initiatives.

With the increasing prevalence of renewable energy generation for household usage, in the future, every household can function as a small power plant. Consumers must be empowered to actively participate in the energy market, create energy communities and sell their energy surplus back to the grid. Automation, digitalisation and the uptake of technologies like smart meters, the Internet of Things, artificial intelligence or 5G will require further investments in cybersecurity and data protection. At the same time, the challenges of the rising energy consumption of the digital era must also be properly assessed and addressed.

3. Spearheading green innovation, cutting red tape

We need to bring new technologies from the lab to the market quicker, creating demand for innovative products and services thus opening new business opportunities especially for the SMEs. Improving the battery life of our electronic devices as well as for electric cars, including their charging infrastructure, presents a challenge and an opportunity. The EPP supports a move towards a full green energy cycle made in Europe, from sourcing to production, storage and distribution, reducing the energy costs in particular for SMEs while safeguarding competitiveness and creating green jobs as well as growth inside the EU.

The transformation of our economy will require significant mobilisation of private capital spearheaded by a sustainable finance agenda, incentivising long-term investments in clean technologies. Private and public investments in sustainable projects are also incentivised by the EU budget through intelligent use of financial instruments, such as the European Fund for Strategic Investments and its successor InvestEU programme. The next EU budget for 2021-2027 will further contribute to sustainability by mainstreaming significant portion of the money to climate objectives.

Extensive bureaucracy when applying for relevant EU support for green investments can discourage even the most determined applicants. The procedures as well as the regulation must be simplified and streamlined. Better absorption of EU funding programmes should be enabled and prioritised. At the same time, the distribution of EU funds must be thoroughly controlled, and any misuse strictly punished.

4. A sustainable EU as a strong international partner in tackling climate change

Investments in green innovations will improve the international competitiveness of the EU. Strict EU standards on the environment as well as the quality of food and products have already significantly improved our citizens' lives. These standards will never be compromised on when trading with third countries. The EPP supports that all future trade agreements negotiated between the EU and third parties include the clause committing the parties to the Paris Agreement and provide for proportionate and adequate measures in case of failure to comply. Rainforest preservation efforts should be a factor in determining EU's trading relations with third countries. While supporting the EU in pursuing its ambitious global trade agenda, the EPP calls for EU's trade defence instruments to be updated, strengthened and made legally more robust. The carbon cost of products imported to the EU should be factored so that we do not import back the emissions we are working hard to reduce. Border carbon adjustments on such imports would contribute to a level playing field and avoid carbon leakage.

The EU can fully thrive only within a stable and prosperous neighbourhood in line with the UN Sustainable Development Goals (SDGs). Climate change will further exacerbate conflicts, poverty as well as water and food scarcities, threatening the livelihoods especially in the Middle East and Africa. The EPP supports the creation of a Marshall Plan with Africa focused on investment, providing quality education with special focus on educating girls, creating opportunities for the youth and training them in new skills for the sustainable economy jobs. The international Development Policy must prioritise green investments while ensuring accountability for the funds spent. The New Alliance for Africa should further foster entrepreneurship in low carbon technologies and empower the new generations in Africa to tackle climate change challenge while also tackling high population growth.