Green recovery towards climate neutrality

Estimates suggest that because of the corona crisis, in 2020 global climate emissions will fall more than ever before in human history. However, this is no reason for complacency.

We are still nowhere near solving the climate emergency. At most, this year we will accelerate climate disruption temporarily slightly less – but accelerate it we still will. Massive restrictions on people's everyday movements and livelihoods can never be a sustainable response to the climate crisis.

For Greens, it is clear that as we reboot the economy after the global pandemic, there is #nogoingback to the old system that was destined to destabilise our climate. Now we need to #REimaginerecovery and #buildbackbetter.

Putting climate at the heart of recovery can address two crises at once. Green and resilient recovery will help to kick-start the economy and get people back to work while accelerating our transition to climate neutrality. Investing in sustainable and smart solutions can future-proof our economies. If we get it right, a just transition can also deliver many other benefits: better quality of life, more equal societies, cleaner air, healthier ecosystems, greater energy security and a more innovative economy.

To become climate neutral, carbon dioxide and other greenhouse gas emissions must be reduced to as close to zero as possible, to a level that sinks can safely absorb. Climate neutrality is needed to keep global heating at 1.5 °C or even well below 2 °C, as agreed in the Paris Agreement – in other words, to avoid the worst climate disruption. This requires roughly halving emissions globally every decade or cutting them by more than 7% each year.

While we appreciate the European Climate Law proposal of becoming climate neutral by 2050, we understand that this is not enough. We aim at becoming climate neutral as early as 2040. This is an ambitious goal, but would recognise the historical responsibility of industrialised countries for global heating. Committing to this goal in 2020 would also answer the calls of millions of European citizens, especially the younger generation, and strengthen EU leadership ahead of the UN Climate Conference COP26 in Glasgow, Scotland, in 2021. We note the United Kingdom presidency of the COP and we call on the United Kingdom to strengthen its resolve in addressing the climate emergency and likewise to commit to becoming climate neutral by 2040.

Setting ambitious targets is one thing but meeting them is another. Reaching climate neutrality in just two decades requires immediate and radical emission reductions. It cannot be achieved through marginal adjustments or only by relying on mostly hypothetical technological solutions. It requires an unprecedented transformation of our economic systems and societies, changes in our lifestyles and determined political leadership. Involving

citizens across Europe on those strategic decisions will be crucial for that process to be successful. We want to highlight six perspectives in particular.

First, for the EU to reach the ambitious goal of climate neutrality as early as 2040, all Member States must take ambitious actions. However, we recognise that not all European countries are starting their transition from the same point.

Second, even though 2040 may seem a long way off, immediate action is needed right here, right now. Today, any long-term investment in high-carbon infrastructure, such as fossil-fuel production and transport, would be incompatible with a pathway to climate neutrality. In line with the Paris Agreement, recovery investments should be reserved for companies or industries which can lay out a realistic plan for emissions reduction. To get on the right path, the EU needs to enshrine in the Climate Law a binding target of reducing its own emissions by at least 65% by 2030 and adopt emission budgets compatible with this. To successfully stay on track with our goals and readjust our policies according to the remaining emissions budget, the Climate Law has to establish an independent scientific board that advises EU institutions.

Third, while we need to do everything humanly possible to rapidly reduce emissions, even the most ambitious action cannot cut our emissions to zero. Effective and sustainable solutions, in particular nature-based solutions, providing negative emissions will be needed to make sure we get to climate neutrality and then to become climate positive, i.e. absorbing more greenhouse gases than we emit.

Fourth, emissions need to be reduced rapidly in all sectors of the economy. As some sectors can be more challenging to decarbonise, others – such as energy production – need to go even further and faster. Europe should also address the consumption-based emissions it is responsible for through, for example, international aviation, maritime transport and imported products.

Fifth, a revision of EU trade policy is urgently needed. The future trade system must have the Paris Agreement and human rights as its core and thereby contribute to social and environmental protection and to the fight against climate change. It must enable a reshoring of strategic productions like food, medical and pharmaceutical products and have a strong focus on circular economy, as well as resilient and sustainable supply chains. Carbon leakage needs to be prevented through a carbon border adjustment mechanism.

Sixth, while ambitious and rapid climate action can still save us from the worst climate disruption, some impacts will be inevitable. Therefore, the task is to avoid the unmanageable and to manage the unavoidable. Investment in adaptation can future-proof our societies and protect the most vulnerable.

Looking more specifically at key sectors:

1. **Energy**. Green policy is built on rapidly expanding sustainable renewables, improving energy efficiency and reducing energy demand. The most harmful fuels (including coal) need to be phased out by 2030 at the latest, followed by other fossil fuels soon

after, without relying on unsustainable options like nuclear power and carbon dioxide capture and storage in fossil fuel energy production.

2. **Buildings**. To fully decarbonise the building sector, all new buildings must be net-zero emissions. A significantly accelerated deep renovation wave must cut emissions and energy use in the existing building stock while reducing energy poverty. Buildings must also switch from fossil fuels to renewables for heating.

3. **Transport**. Mobility needs to be rethought and traffic demand reduced through for example telework and the restructuring of our communities. Public transport, cycling, walking, shared mobility and an inclusive, safe infrastructure for all users must have priority. We need to phase out the sales of fossil-fuel cars by 2030, end the subsidies on them and transition to vehicles powered by electricity from renewables while recycling batteries. We call for a train renaissance including night trains both for people and goods and a switch to renewable fuels in airplanes and ships that cannot be fully electrified.

4. **Industry**. Energy efficiency, electrification and renewables are central for decarbonising energy-intensive industries. Moving to a circular economy would reduce both the use of natural resources and emissions. Residual process emissions need to be addressed by, for example, introducing innovations such as switching to renewable hydrogen within the steel industry.

5. **Agriculture**. Emissions from the agricultural sector need to be reduced, including by reducing the production and consumption of animal-based products, reducing the use of artificial fertilisers, cutting imports of products grown on deforested areas (soy from South America, Palm oil) and relocalising food production. Sustainable practices can increase the carbon stored in farmland and improve productivity, food security and climate resilience. Energy efficiency and renewables also help to cut emissions in agriculture.

6. **Sinks**. Nature-based solutions, such as protecting, restoring and expanding forests, peatlands and other ecosystems, offer significant synergies for preserving our biodiversity. Technological sinks are not a large-scale solution to greenhouse gas emissions and should only be applied responsibly and not used as an excuse to delay emission reductions.

For decades, Greens have been at the forefront of fighting the climate crisis, together with our partners in civil society, trade unions and progressive business. However, confronted with such an enormous challenge, a certain amount of humility can be helpful for us all.

On the path to climate neutrality, we will face both surprises and difficult choices. The map is not yet fully developed, let alone detailed. To help us navigate these challenges, we must be guided by strong principles:

1. **Listen to the science**: base all decisions on expert knowledge and evidence;

2. **Protect people**: put people – especially vulnerable, marginalised and disadvantaged groups – at the centre and ensure intergenerational equity and a just transition for all;

3. **Respect nature**: integrate halting biodiversity loss and other environmental concerns into climate action;

4. **Make the polluters pay**: divest from fossil fuels, fully apply the polluter-pays principle and phase out fossil-fuel subsidies;

5. **Invest in innovation**: seize the potential of new technology applied in a sustainable and fair way;

6. **Empower citizens**: include citizens in deciding on and implementing the transition and abolish restrictions on the freedom to protest;

7. **Work together**: cooperate within Europe, including with candidate countries, and internationally in the spirit of solidarity.

8. **Apply the precautionary principle**: when facing uncertainties, it is better to err on the side of caution.