What does it take to hit -55%?

- **POWER** – Coal must be mostly eliminated by 2025; entirely gone by 2030; RES must be tripled to 75% of the mix (60% from wind & solar) (EC less ambitious)

- **BUILDINGS** – Renovation rate must triple to around 2.5%/yr; with renovations at -75% energy use (EC more ambitious)

- **TRANSPORT** – ICE vehicle sales finished by 2035 (EC less ambitious)

- **INDUSTRY** – Primary materials use down 7% due to circularity; Industrial CCS underway (4x)

- **LAND** – Meat & dairy down slightly; bioenergy remains flat
Is the EU GD fit for -55%?

- BUILDINGS – Renovation Wave could renovate 35 mln buildings = 15% of building stock; MEPS is new driver of change; Inclusion in EU ETS risks distributional impacts

- POWER – EU ETS reforms & expansion might phase-out coal; but zero-rating might cause dash to biomass; RED sustainability criteria insufficient; Danger of gas lock-in.

- TRANSPORT – Scope for tighter CO2 standards; risks from ETS expansion; risks from biofuels expansion

- INDUSTRY – EU ETS not relevant for next investment wave; National policy & EU state aid are crucial

- LAND – CAP falls far short; but Farm-to-fork offers new opportunity
Some takeaways on EU Green Deal

- The focus on -55% is necessary, welcome, and could be a key driver of growth and modernization
- Renovation Wave can help break the impasse on buildings & create new jobs to help economic recovery
- Added emphasis on Just Transition is crucial for regional transitions
- F2F can help deliver thriving rural economies; move beyond CAP
- Taxonomy is world-leading; science-based; and a vital step to prevent greenwashing

- Expanding the EU ETS risks distributional impacts >> leading to social backlash
- Weaking the ESR would remove incentive for member states to promote lifestyle changes and new systems
- GHG accounting errors need correcting (bioenergy, CO2 removals etc)
- Strong, independent monitoring will be needed to keep the EU Green Deal on track
Thank you