



# **COUNCIL OF THE EU**

**STUDY GUIDE**



**MUNLAW 2021**

**MUNLAWS 2021**

Faculty of Law, University of Ljubljana

**COUNCIL OF THE EU – STUDY GUIDE**

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*"The Climate Law is the legal translation of our political commitment and sets us irreversibly on the path to a more sustainable future. It is the heart of the European Green Deal. It offers predictability and transparency for European industry and investors. And it gives direction to our green growth strategy and guarantees that the transition will be gradual and fair."*

***Ursula von der Leyen,***

*President of the European Commission*

# GREEN TRANSITION: BEYOND EUROPEAN GREEN DEAL AND EUROPEAN CLIMATE LAW

by Ana Maja Kralj and Gaja Podgornik

## I. Introduction

### *General*

The aim of this study guide is to introduce the topics which shall be discussed at MUNLawS' 2021 simulation of the Council of the European Union. By providing essential background information to the delegates, the following text was written as an overview or rather an introduction of the topic titled *Green Transition: Beyond European Green Deal and European Climate Law*. In addition to this study guide, special discussion paper will be provided prior to the conference. However, the participants are encouraged to further research and prepare their statements from the viewpoint of the country they represent. In addition, broader knowledge attributes greatly to a fruitful (and interesting) debate.

### *About the Council of the European Union*

The Council of the European Union is, together with the European Parliament, the main decision-making body of the EU. In the Council of the EU, informally also known as the Council, government ministers from each EU country meet to debate, amend, and adopt laws, and coordinate policies.

Council meets in one of 10 different configurations, each corresponding to the policy area being discussed. Depending on the configuration, countries are represented by their minister, responsible for the discussed policy area. They also have the authority to commit their governments to the actions agreed on in the meetings. The meetings are chaired by the minister in charge of the country holding the rotating EU presidency. The main purpose

of the Council is to negotiate and adopt EU laws, together with the European Parliament, based on proposals from the European Commission, coordinate EU countries' policies, develop the EU's foreign and security policy, based on the European Council guidelines, conclude agreements between the EU and other countries or international organisations and to jointly adopt the annual EU budget with the European Parliament.

### *Council of the European Union at MUNLawS 2021*

MUNLawS 2021 will hold the meeting of the environmental configuration of the Council, with each delegate representing one of the 27 ministers, responsible for the environment. The working procedure of the Council will be led by two Council Directors. The three main selected topics as presented in this study guide for the discussion are *the EU investment plan in coordination with national plans to achieve climate neutrality, National long-term strategies to reduce greenhouse emissions until 2050 and Actions taken in industrial, financial and research sectors to achieve climate neutrality by 2050.*

Delegates of the Council must write a position paper for the announced topic and submit it to the MUNLawS Academic team. Position papers will be reviewed and scored by the Academic team and shall greatly contribute to the final scores of delegates, upon which Council awards will be based. Instructions on how to write the position paper are published on this website. Failure to follow these instructions or to meet the deadline for the submission of the position papers will result in negative points for the position paper.

All delegates shall prepare their opening statement, in which they must present their country's viewpoint towards the legislative act. This shall not exceed 2 minutes per speech. However, the time each delegate will have at disposal is flexible and can be voted upon on the first session. The agenda will be set by the Council directors and will be based on the Study guide and Discussion paper. With four agendas in total, simulation will continue as presented in the Rules of Procedure for the Council of the European Union, which will be published on our website.

The main goal of the Council at MUNLawS 2021 is to negotiate and adopt resolution based on the aforementioned topic. Issues that have not been discussed during formal debate may not be included in the Resolution. Every delegate shall read the General Rules of Procedure prior to the start of the MUNLawS Conference for a further detailed description of the procedure.

In order for the delegates to familiarize themselves with the procedure of the simulation, a special guide titled Rules of Procedure is available on our website. In case of any misunderstanding, we kindly ask the delegates to consult with us, the chairs, prior to the sessions so that the Council's debate will run smoothly.

### *Introduction to the Topic*

As the conference's homeland, Slovenia, is taking over the presidency of the Council, one of the goals set for the term is to further the process of *green transition* in the European Union.

With the European Green Deal, the Commission provided an action plan to boost the efficient use of resources by moving to a clean, circular economy and to restore biodiversity and cut pollution.<sup>1</sup> Its main goal is to achieve climate neutrality by 2050. One of the key elements for enshrining the target(s) set is the European Climate Law, through which objectives become legally binding for all member states. On 21st April 2021, provisional political agreement between the co-legislators on the European Climate Law was reached, marking a significant breakthrough in adopting the Law. On June 24<sup>th</sup>, it was adopted by the European parliament at the first reading. At the time this study guide was written, it has not been published in the Official Journal.

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<sup>1</sup>European Commission: 2019 – 2024 Priorities, accessible on: [https://ec.europa.eu/info/strategy/priorities-2019-2024/european-green-deal\\_en](https://ec.europa.eu/info/strategy/priorities-2019-2024/european-green-deal_en) (10. 6. 2021)

When it will enter into force, the EU institutions and the Member States will be bound to take the necessary measures at the EU and national levels to meet the targets. It includes measures to keep track of progress and adjust EU institution's and member states' action, accordingly, based on existing systems such as the governance process for Member states' National Energy and Climate Plans, regular reports by the European Environment Agency, and the latest scientific evidence on climate change and its impact.<sup>2</sup>

As the Legislation is yet to be published in the Official Journal, current proposal for the European Climate Law is available at [this link](#).

Furthermore, special Discussion paper will be prepared for the delegates approximately 4 weeks before the conference to highlight and update this study guide, as changes can occur.

### The EU will:



Become climate-neutral by 2050



Protect human life, animals and plants, by cutting pollution



Help companies become world leaders in clean products and technologies



Help ensure a just and inclusive transition

Figure 1, available at:

[https://seea.un.org/sites/seea.un.org/files/styles/panopoly\\_image\\_full/public/news\\_articles/egd.png?itok=6ZnH34RJ](https://seea.un.org/sites/seea.un.org/files/styles/panopoly_image_full/public/news_articles/egd.png?itok=6ZnH34RJ)  
(accessed 10. 6. 2021)

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<sup>2</sup>Committing to climate-neutrality by 2050: Commission proposes European Climate Law and consults on the European Climate Pact, European Commission, URL: [https://ec.europa.eu/commission/presscorner/detail/en/IP\\_20\\_335](https://ec.europa.eu/commission/presscorner/detail/en/IP_20_335)

## II. EU investment plan in coordination with national plans to achieve climate neutrality

The European Green Deal Investment Plan (EGDIP) (synonym: Sustainable Europe Investment Plan – SEIP) is the key pillar which will mobilise at least 1 trillion in sustainable investments in the 2020 – 2030 decade. EGDIP has three main objectives:

1. First, it will increase funding for the green transition and mobilise the mentioned 1 trillion to support sustainable investments.
2. Second, it will create a framework for private investors and the public sector to facilitate sustainable investments.
3. Third, it will provide support to public administrations and project promoters in identifying, structuring and executing sustainable projects.

The EU budget alone cannot be enough to tackle climate change and achieve climate neutrality by 2050 which is why EU Member States and private actors will play an important role in the forthcoming decade. The EU budget will provide €503 billion which will trigger additional national co – financing of around €114 billion on climate and environment projects.

One of the key elements is the ***Just Transition Mechanism (JTM)*** which guarantees that the transition towards a climate – neutral economy happens in a fair way and that no one will be left behind, especially focusing on the regions, industries and workers who will face the greatest challenges. Focusing on addressing the social and economic effects of the transition the JTM will be mobilising at least €150 billion which will be accessible to all EU countries. For easier access, countries are provided with comprehensive technical and advisory support about the funds, opportunities, relevant regulatory updates or sector specific initiatives included in the ***Just Transition Platform***.

Mobilisation of the mentioned €150 billion will fall through:

- A new Just Transition Fund
- InvestEU »Just Transition« scheme
- EIB public sector loan facility.<sup>3</sup>

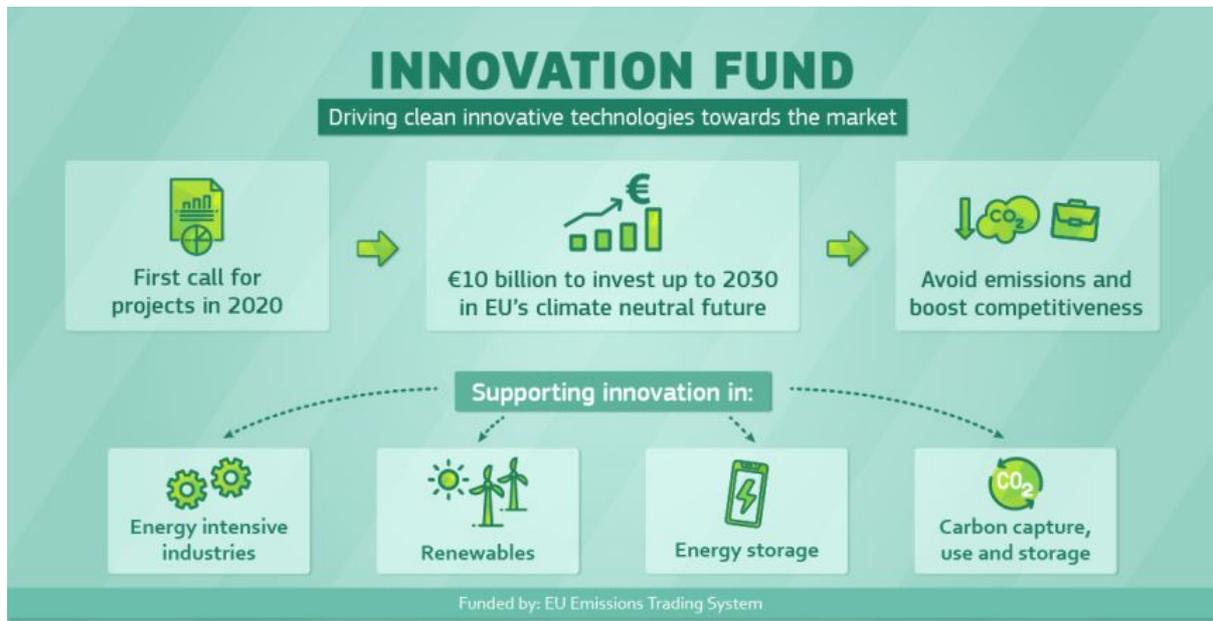


Figure 2: Innovation Fund, available at: <https://www.hinicio.com/file/2020/06/Innovation-Fund-2020.jpg> (accessed 10. 6. 2021)

### III. National long-term strategies to reduce greenhouse emissions until 2050

Whereas the EU can lead the way by investing into realistic technological solutions, empowering citizens and aligning action in key areas (industrial policy, finance and research) all parts of society and economic sectors will play a role – from the power sector to industry, mobility, building, agriculture and forestry.<sup>4</sup>

<sup>3</sup> The European Green Deal Investment Plan and Just Transition Mechanism explained, European Commission, URL: [https://ec.europa.eu/commission/presscorner/detail/en/qanda\\_20\\_24](https://ec.europa.eu/commission/presscorner/detail/en/qanda_20_24) (accessed: 23.4.2021)

<sup>4</sup> 2050 long-term strategy, European Commission, URL: [https://ec.europa.eu/clima/policies/strategies/2050\\_en](https://ec.europa.eu/clima/policies/strategies/2050_en) (accessed: 23.4.2021)

In line with the Paris Agreement objective to keep the global temperature increase below 2°C and pursue efforts to keep it to 1.5°C and as part of the European Green Deal, the Commission proposed the first European Climate Law and required EU Member States to develop national long-term strategies on how they plan to achieve the set goal.

These national strategies and the EU's strategy have to cover at least 30 years. All Member States had to submit their first strategy to the Commission by 1 January 2020, the next are due by 1 January 2029 and every 10 years thereafter. The Commission will assess the adequacy of the proposed plans while providing the Member States with the information on the state of the underlying scientific knowledge and opportunities for sharing knowledge and best practices.<sup>5</sup>

Separate from the national long-term strategies the Member states had to by 31 December submit their drafts of the National Energy and Climate Plans (NECPs) plans which outline how the EU countries intend to address energy efficiency, renewables, greenhouse gas emissions reductions, interconnections, research and innovation which required a coordination across all government departments. Each country must submit a progress report every two years and are required to consult citizens, businesses and regional authorities in the drafting and finalisation process.<sup>6</sup>

#### **IV. Actions taken in industrial, financial and research sectors to achieve climate neutrality by 2050**

On March 4<sup>th</sup> 2020, the European Commission introduced a proposal to enshrine in legislation the EU's political commitment to be climate neutral by 2050 within the European Green Deal which was first presented by the Von der Leyen Commission in 2019. The

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<sup>5</sup> National long-term strategies, European Commission, URL: [https://ec.europa.eu/info/energy-climate-change-environment/implementation-eu-countries/energy-and-climate-governance-and-reporting/national-long-term-strategies\\_en](https://ec.europa.eu/info/energy-climate-change-environment/implementation-eu-countries/energy-and-climate-governance-and-reporting/national-long-term-strategies_en) (accessed: 25.4.2021)

<sup>6</sup> National energy and climate plans, European Commission, URL: [https://ec.europa.eu/info/energy-climate-change-environment/implementation-eu-countries/energy-and-climate-governance-and-reporting/national-energy-and-climate-plans\\_en](https://ec.europa.eu/info/energy-climate-change-environment/implementation-eu-countries/energy-and-climate-governance-and-reporting/national-energy-and-climate-plans_en) (accessed: 23.4.2021)

proposal called The Climate law proposes a legally binding target of zero greenhouse gas emissions by 2050 and offers predictability and transparency for European industry and investors.

Basic material industries are a cornerstone of the EU's economy making a major contribution to GDP and providing over 1.8 million high – quality jobs.<sup>7</sup> EU wants to preserve the competitiveness and strategic role of these sectors while reducing the GHG footprint which means preventing market share loss and carbon leakage. In order to achieve both, EU needs a low – carbon technology in place for replacement and refurbishment. Technological solutions that could be harnessed to make energy-intensive basic materials industries almost entirely climate – neutral are already known.

One of the key challenges in making the European Green Deal Investment plan efficient is to develop a pipeline of investment projects that respond to strategic objectives of the EU and provide technical assistance and advisory support which will help to identify and prepare sustainable projects and provide capacity building to project promoters.

The research sectors will be mostly targeted to find the most efficient solutions to help the people and regions most affected by the green transition, especially the regions where jobs depend on fossil fuels, including coal etc or carbon-intensive industrial processed emitting greenhouse – gases. With respect to all people and all job the Commission proposes to set up a Just Transition Mechanism, with the aim to provide targeted support to those most affected.

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<sup>7</sup>Breakthrough Strategies for Climate-Neutral Industry in Europe, Agora, available at: [https://static.agora-energiawende.de/fileadmin/Projekte/2020/2020\\_10\\_Clean\\_Industry\\_Package/A-EW\\_197\\_Strategies-Climate-Neutral-Industry-EU\\_Summary\\_WEB.pdf](https://static.agora-energiawende.de/fileadmin/Projekte/2020/2020_10_Clean_Industry_Package/A-EW_197_Strategies-Climate-Neutral-Industry-EU_Summary_WEB.pdf) (accessed on 13. 6. 2021)

## **V. Questions to consider: Beyond European Green Deal and European Climate Law**

Although many questions arise while reading this study guide, here are some examples to serve as guidance when preparing for the conference. However, we challenge the delegates to go beyond and to further research the topic given, just as the real-life Council members would. In addition, some further advice and information will be given to the delegates approximately 4 weeks prior to the conference in form of Discussion Paper.

The set-out plan for the Committee is to focus on national and EU investment plans and their coordination while also on broader problems and questions which we encourage you to further research and consider other aspects of this topic.

- There is no doubt that European Green Deal and its main tool to enforce it into legally binding legislation, The European Climate Law, mark a significant progress when it comes to climate change action. However, it must not be forgotten that the law, in order to succeed, must also be successfully implemented. How could the EU successfully launch just monitoring mechanisms?
- With the Commission launching further legislation, what could be the role of the Council of the European Union?
- As the European Climate Law received many critics, how could the Council respond?
- How can consumers benefit from the Green Deal? How will the Green Deal improve the health and quality of life of our citizens?
- How can citizens get involved in delivering the Green Deal?
- What is the Commission doing to reduce its own carbon footprint? What can citizens and businesses do to reduce their carbon footprint and embrace sustainability?
- Should the EU make a step forward on a global scale and use its influence and power to take the lead in climate change action and serve as a paradigm to the whole world?

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