



**2022/2006(INI)**

11.2.2022

## **OPINION**

of the Committee on the Environment, Public Health and Food Safety

for the Committee on Economic and Monetary Affairs

on the European Semester for economic policy coordination: annual  
sustainable growth survey 2022  
(2022/2006(INI))

Rapporteur for opinion: Pascal Canfin

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## SUGGESTIONS

The Committee on the Environment, Public Health and Food Safety calls on the Committee on Economic and Monetary Affairs, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

- A. whereas the issues addressed in the annual sustainable growth survey 2022 have among other things a clear impact on biodiversity, climate change and health;
- 1. Notes the pledge made in the annual sustainable growth survey 2022 to continue placing a macro-economically and environmentally sustainable, fair and green transition at the heart of the European Semester process, enshrining economic resilience, environmental sustainability, climate neutrality, public health and the well-being of citizens as guiding principles for the EU's recovery;
- 2. Recalls that the EU and its Member States committed under Article 2.1(c) of the Paris Agreement to aligning both public and private financial flows to a pathway compatible with the objective of limiting global warming to 1.5 °C; stresses that this requires all direct and indirect fossil fuel subsidies to be phased out as soon as possible and by 2025 at the very latest;
- 3. Stresses the importance of accelerating the alignment of the European Semester process with the EU's short- and long-term climate and environment objectives, as established under the European Green Deal, enshrined in legislation through the European Climate Law and reinforced in the Fit for 55 package; welcomes the inclusion of dedicated sections in each European Semester country report on the Member States' progress in the different areas of the UN Sustainable Development Goals, as well as the set-up of additional indicators to monitor and guide the Member States' performance in view of the policy goals of the European Green Deal and the Paris Agreement, notably ahead of the next global stocktake;
- 4. Notes that meeting the EU's ambitious Green Deal agenda will require significant investment and that, according to the Commission, the private and public investment gap to cater for the green transition is estimated at nearly EUR 520 billion per year over the next decade; stresses that this will require further policy action to redirect financial flows away from harmful economic activities and towards sustainable economic activities; notes, furthermore, that whereas a substantial share of the investment will be borne by the private sector, public investment and policies steering private investment to sustainability will also have to increase; underlines that significant fiscal space could be created by phasing out direct and indirect environmentally harmful subsidies, in particular fossil fuel subsidies;
- 5. Reiterates its call for the reorientation of tax systems towards an increased use of environmental taxation and to fight tax evasion and tax avoidance;
- 6. Calls on the Commission to extend the current European Semester approach in order to deliver on its political commitment to making it a governance tool to support the achievement of the European Green Deal and the Sustainable Development Goals; underlines the need to further integrate, without weakening the monitoring process of

this extended European Semester, the EU's climate, environmental (including biodiversity) and social objectives in a more comprehensive manner to provide the Member States with analysis and indicators beyond economic indicators only, thus better reflecting the current challenges faced by the Member States in reducing their ecological footprint and making the process a driver of change towards sustainable well-being for all in Europe;

7. Considers that the European Semester can support the EU's efforts to achieve its climate objective for 2030 and climate neutrality by 2050 at the latest by ensuring fiscal stability and an investment-friendly environment; stresses that any changes to the European Semester must not water down its original purpose;
8. Recalls the importance of ensuring that the European Semester is aligned with the Recovery and Resilience Facility (RRF) and the need to swiftly address the impact of the COVID-19 pandemic on the European economy; highlights that the RRF presents an unprecedented and unique opportunity for all Member States to address key structural challenges and investment needs and to transform their economies to make them sustainable and more resilient to future shocks; stresses the importance of properly implementing the reforms and investments in each national recovery and resilience plan, while fully respecting the 'do no significant harm' principle and carefully monitoring the full implementation of the non-regression of EU environmental law; calls on the Commission to analyse all payment requests in the light of the above and to ensure full compliance with all milestones and targets reached with the RRF Regulation before granting payments, in particular compliance with the 'do no significant harm' principle and the specific requirements of Annex VI to the RRF Regulation, where relevant; takes the view that the RRF should serve as inspiration for the review of the macroeconomic governance framework, notably in identifying common structural challenges and investment needs; stresses, furthermore, that this review should design an enabling framework for Member States to accelerate their green transitions, close their climate and environmental investment gap and ensure the rapid phasing out of all environmentally harmful subsidies, in particular fossil fuel subsidies;
9. Recalls that 7.5 % of the EU budget should be dedicated to biodiversity objectives from 2024, rising to 10 % from 2026 onwards; stresses the urgent need to meet these expenditure levels even before the stipulated deadlines; further urges the Member States to scale up investment in the conservation and restoration of biodiversity, to reform subsidies that are harmful to biodiversity, and to screen (*ex ante*) and monitor (*ex post*) recovery support for their biodiversity impacts;
10. Stresses the need for the European Semester to facilitate equitable access to good-quality healthcare; highlights that the current pandemic has had a substantial impact on essential care, notably as regards chronic diseases, but also emergency care across the Member States; reiterates, in this regard, that the European Semester should address the resilience of health systems;
11. Calls on the Commission to strengthen the involvement of the European Parliament, as well as of regional and local authorities, social partners, civil society, youth organisations, scientific bodies and other key stakeholders throughout the overall process, including on the country-specific recommendations and during

implementation, as well as the monitoring and evaluation phases, with the aim of ensuring that the European Semester is not only a bureaucratic exercise, but delivers much-needed solutions for the citizens of our Member States;

12. Underlines that funds and resources should be directed to projects and beneficiaries that spend the resources responsibly and effectively and for economically viable projects;
13. Warns against increasing the tax burden on taxpayers, be it in direct or indirect form, and the overall regulatory burden.

## INFORMATION ON ADOPTION IN COMMITTEE ASKED FOR OPINION

<b>Date adopted</b>	10.2.2022
<b>Result of final vote</b>	<div style="display: flex; justify-content: flex-end; align-items: center;"> <div style="text-align: right; padding-right: 10px;">+:</div> <div>44</div> </div> <div style="display: flex; justify-content: flex-end; align-items: center;"> <div style="text-align: right; padding-right: 10px;">-:</div> <div>41</div> </div> <div style="display: flex; justify-content: flex-end; align-items: center;"> <div style="text-align: right; padding-right: 10px;">0:</div> <div>2</div> </div>
<b>Members present for the final vote</b>	<p>Mathilde Androuët, Nikos Androulakis, Bartosz Arłukowicz, Margrete Auken, Simona Baldassarre, Marek Paweł Balt, Traian Băsescu, Aurélia Beigneux, Monika Beňová, Hildegard Bentele, Sergio Berlato, Alexander Bernhuber, Malin Björk, Simona Bonafè, Delara Burkhardt, Pascal Canfin, Sara Cerdas, Mohammed Chahim, Tudor Ciuhodaru, Nathalie Colin-Oesterlé, Esther de Lange, Christian Doleschal, Marco Dreosto, Bas Eickhout, Cyrus Engerer, Eleonora Evi, Agnès Evren, Pietro Fiocchi, Raffaele Fitto, Malte Gallée, Iratxe García Pérez, Catherine Griset, Jytte Guteland, Teuvo Hakkarainen, Martin Hojsík, Jan Huitema, Yannick Jadot, Adam Jarubas, Petros Kokkalis, Athanasios Konstantinou, Ewa Kopacz, Joanna Kopcińska, Peter Liese, Sylvia Limmer, Javi López, César Luena, Fulvio Martusciello, Liudas Mažylis, Joëlle Mélin, Tilly Metz, Silvia Modig, Dolors Montserrat, Alessandra Moretti, Dan-Ștefan Motreanu, Ville Niinistö, Ljudmila Novak, Grace O’Sullivan, Jutta Paulus, Stanislav Polčák, Jessica Polfjård, Nicola Procaccini, Luisa Regimenti, Frédérique Ries, María Soraya Rodríguez Ramos, Sándor Rónai, Rob Rooken, Silvia Sardone, Christine Schneider, Günther Sidl, Ivan Vilibor Sinčić, Linea Sogaard-Lidell, Maria Spyrali, Nils Torvalds, Edina Tóth, Véronique Trillet-Lenoir, Petar Vitanov, Alexandr Vondra, Mick Wallace, Pernille Weiss, Michal Wiezik, Tiemo Wölken, Anna Zalewska</p>
<b>Substitutes present for the final vote</b>	<p>Anna Deparnay-Grunenberg, Karin Karlsbro, Ska Keller, João Pimenta Lopes, Róza Thun und Hohenstein, Idoia Villanueva Ruiz</p>

## FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

44	+
NI	Athanasios Konstantinou
Renew	Pascal Canfin, Martin Hojsík, Jan Huitema, Karin Karlsbro, Billy Kelleher, Frédérique Ries, María Soraya Rodríguez Ramos, Linea Søgaaard-Lidell, Róza Thun und Hohenstein, Nils Torvalds, Véronique Trillet-Lenoir, Michal Wiezik
S&D	Nikos Androulakis, Marek Paweł Balt, Monika Beňová, Simona Bonafè, Delara Burkhardt, Sara Cerdas, Mohammed Chahim, Tudor Ciuhodaru, Cyrus Engerer, Jytte Guteland, Javi López, César Luena, Alessandra Moretti, Sándor Rónai, Günther Sidl, Petar Vitanov, Tiemo Wölken
The Left	Malin Björk, Petros Kokkalis, Silvia Modig, Idoia Villanueva Ruiz
Verts/ALE	Margrete Auken, Anna Deparnay-Grunenberg, Bas Eickhout, Eleonora Evi, Malte Gallée, Yannick Jadot, Tilly Metz, Ville Niinistö, Grace O'Sullivan, Jutta Paulus

41	-
ECR	Sergio Berlato, Pietro Fiocchi, Raffaele Fitto, Joanna Kopcińska, Nicola Procaccini, Rob Rooker, Alexandr Vondra, Anna Zalewska
ID	Mathilde Androuët, Simona Baldassarre, Aurélie Beigneux, Marco Dreosto, Catherine Griset, Teuvo Hakkarainen, Sylvia Limmer, Joëlle Mélin, Silvia Sardone
NI	Edina Tóth
PPE	Bartosz Arłukowicz, Traian Băsescu, Hildegard Bentele, Alexander Bernhuber, Nathalie Colin-Oesterlé, Christian Doleschal, Agnès Evren, Adam Jarubas, Ewa Kopacz, Esther de Lange, Peter Liese, Fulvio Martusciello, Liudas Mažylis, Dolors Montserrat, Dan-Ștefan Motreanu, Ljudmila Novak, Stanislav Polčák, Jessica Polfjård, Luisa Regimenti, Christine Schneider, Maria Spyraiki, Pernille Weiss
The Left	João Pimenta Lopes

2	0
NI	Ivan Vilibor Sinčić
The Left	Mick Wallace

Key to symbols:

+ : in favour

- : against

0 : abstention