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*Plenary sitting*

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**B8-0195/2019 }  
B8-0198/2019 }  
B8-0199/2019 }  
B8-0200/2019 }  
B8-0202/2019 }  
B8-0203/2019 } RC1**

12.3.2019

## **JOINT MOTION FOR A RESOLUTION**

pursuant to Rule 123(2) and (4) of the Rules of Procedure

replacing the following motions:

B8-0195/2019 (EFDD)  
B8-0198/2019 (Verts/ALE)  
B8-0199/2019 (S&D)  
B8-0200/2019 (ALDE)  
B8-0202/2019 (PPE)  
B8-0203/2019 (GUE/NGL)

on climate change – a European strategic long-term vision for a prosperous, modern, competitive and climate neutral economy in accordance with the Paris Agreement  
(2019/2582(RSP))

**Peter Liese, Christian Ehler**

on behalf of the PPE Group

**Kathleen Van Brempt, Jytte Guteland, Miriam Dalli**

on behalf of the S&D Group

**Nils Torvalds, Fredrick Federley**

on behalf of the ALDE Group

**Bas Eickhout**

on behalf of the Verts/ALE Group

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**Lynn Boylan, Marie-Christine Vergiat, Patrick Le Hyaric, Barbara Spinelli, Anja Hazekamp, Marie-Pierre Vieu, Stefan Eck, Eleonora Forenza, Luke Ming Flanagan, Rina Ronja Kari, Marisa Matias, Martina Michels, Stelios Kouloglou, Cornelia Ernst**  
on behalf of the GUE/NGL Group  
**Eleonora Evi, Dario Tamburrano, Rosa D'Amato, Piernicola Pedicini**  
on behalf of the EFDD Group

**European Parliament resolution on climate change – a European strategic long-term vision for a prosperous, modern, competitive and climate neutral economy in accordance with the Paris Agreement (2019/2582(RSP))**

*The European Parliament,*

- having regard to the Commission communication of 28 November 2018 entitled ‘A Clean Planet for all – A European strategic long-term vision for a prosperous, modern, competitive and climate neutral economy’ (COM(2018)0773),
  - having regard to the in-depth analysis in support of the Commission communication<sup>1</sup>,
  - having regard to the United Nations Framework Convention on Climate Change (UNFCCC) and the Kyoto Protocol thereto,
  - having regard to the Paris Agreement, Decision 1/CP.21, to the 21st Conference of the Parties (COP21) to the UNFCCC and to the 11th Conference of the Parties serving as the Meeting of the Parties to the Kyoto Protocol (CMP11), held in Paris, France from 30 November to 11 December 2015,
  - having regard to the 24th Conference of the Parties (COP24) to the UNFCCC, the 14th session of the Meeting of the Parties to the Kyoto Protocol (CMP14), and the third part of the first session of the Conference of the Parties serving as the Meeting of the Parties to the Paris Agreement (CMA1.3), held in Katowice, Poland, from 2 December to 14 December 2018,
  - having regard to the United Nations 2030 Agenda for Sustainable Development and to the Sustainable Development Goals (SDGs),
  - having regard to its resolution of 25 October 2018 on the 2018 UN Climate Change Conference in Katowice, Poland (COP24)<sup>2</sup>,
  - having regard to the Council conclusions of 22 March 2018,
  - having regard to the Intergovernmental Panel on Climate Change (IPCC) special report entitled ‘Global Warming of 1.5°C’, its fifth assessment report (AR5) and its synthesis report,
  - having regard to the ninth edition of the UN Environment Emissions Gap Report, adopted on 27 November 2018,
  - having regard to Rule 123(2) and (4) of its Rules of Procedure,
1. Welcomes the publication of the Commission communication ‘A Clean Planet for all –

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<sup>1</sup> [https://ec.europa.eu/clima/sites/clima/files/docs/pages/com\\_2018\\_733\\_analysis\\_in\\_support\\_en\\_0.pdf](https://ec.europa.eu/clima/sites/clima/files/docs/pages/com_2018_733_analysis_in_support_en_0.pdf)

<sup>2</sup> Texts adopted, P8\_TA(2018)0430.

A European strategic long-term vision for a prosperous, modern, competitive and climate neutral economy', which underlines the opportunities and challenges that the transformation towards a net-zero greenhouse gas economy brings to European citizens and Europe's economy, and sets the basis for a wide debate involving EU institutions, national parliaments, the business sector, non-governmental organisations, cities, and communities, as well as citizens; endorses the objective of net-zero greenhouse gas (GHG) emissions by 2050 and urges the Member States to do the same as part of the Future of Europe debate at the special EU summit in Sibiu in May 2019; calls on the Member States to commit to the required ambition in order to achieve this goal;

2. Acknowledges that the serious risks of climate change are at the heart of our citizens' concerns; welcomes the fact that people across Europe, in particular younger generations, are becoming increasingly active in demonstrating for climate justice; welcomes the calls from these activists for greater ambition and swift action in order not to overshoot the 1.5°C climate limit; believes that national, regional and local governments, as well as the EU, should heed these calls;
3. Highlights that European citizens already face direct impacts of climate change; underlines that, according to the European Environment Agency, average annual losses caused by weather and climate-related extremes in the Union amounted to around EUR 12.8 billion between 2010 and 2016, and that, if no further action is taken, climate damages in the EU could amount to at least EUR 190 billion by 2080, equivalent to a net welfare loss of 1.8 % of its current GDP; emphasises that under a high emissions scenario, annual costs from flooding in the EU could rise to EUR 1 trillion by 2100 and that weather-related disasters could affect about two-thirds of European citizens by 2100, compared with 5 % today; further stresses that, according to the European Environment Agency, 50 % of the populated areas in the EU will suffer from severe water scarcity by 2030;
4. Underlines that the IPCC 1.5° special report represents the most comprehensive and up-to-date scientific assessment of mitigation pathways in line with the Paris Agreement;
5. Emphasises that, according to the IPCC 1.5° special report, limiting global warming to 1.5°C with no or limited overshoot implies reaching net-zero GHG emissions globally by 2067 at the latest, and reducing annual global GHG emissions by 2030 to a maximum of 27.4 GtCO<sub>2</sub>eq per year; stresses that, in the light of these findings, as a global leader and in order to have a good chance of keeping global temperature below 1.5°C by 2100, the Union needs to strive towards reaching net-zero GHG emissions as early as possible and by 2050 at the latest;
6. Expresses concern at the UN Environment 2018 Emissions Gap Report, which finds that current unconditional nationally determined contributions (NDCs) far surpass the Paris Agreement warming limit of well below 2°C, leading instead to an estimated 3.2°C<sup>3</sup> warming by 2100; stresses the urgent need for all Parties to the UNFCCC to update their climate ambition by 2020;

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<sup>3</sup> UN Environment Programme, 'Emissions Gap Report 2018', p.10.

## *Pathways for the European mid-century zero emissions strategy*

7. Believes that Europe can lead the way to climate neutrality by investing in innovative technological solutions, empowering citizens, and aligning action in key areas such as energy, industrial policy and research, while ensuring social fairness for a just transition;
8. Notes that the strategy presents eight pathways for the economic, technological and social transformation needed for the Union to comply with the long-term temperature goal of the Paris Agreement; notes that only two of the pathways would enable the Union to reach net-zero GHG emissions by 2050 at the latest; highlights that this requires swift action and considerable efforts at local, regional, national and EU level, also involving all non-public actors; recalls the obligation of Member States to adopt national long-term strategies as laid down in the Governance Regulation; calls on the Member States, therefore, to establish clear short- and long-term targets and policies consistent with the goals of the Paris Agreement and to provide investment support for net-zero pathways;
9. Highlights that the first category of pathways presented in the strategy aims to reduce GHG emissions by only around 80 % by 2050 compared to 1990 levels; notes with concern that this ambition is in the lower range of keeping global warming below 2°C and is therefore not in line with the Paris objective of keeping it well below 2°C, nor indeed the further aim of keeping it below 1.5°C;
10. Points out that, according to the Commission's estimates, EU GDP is expected to increase more under zero-emissions scenarios than in scenarios with smaller emissions reductions, with the effects in both cases being spread unevenly across the EU as a result of differences among Member States, inter alia in terms of GDP per capita and the carbon intensity of the energy mix; considers that inaction would be by far the costliest scenario and would not only result in significant GDP loss in Europe, but also further increase economic inequalities between and within Member States and regions, as some are expected to be hit harder than others by the consequences of inaction;
11. Notes with concern that the EU's energy import dependence currently stands at around 55 %; highlights that under a net-zero emissions scenario this would fall to 20 % by 2050, which would have a positive impact on the EU's trade balance and geopolitical position; notes that the cumulative savings in fossil fuel import costs between 2031 and 2050 would be around EUR 2-3 trillion, which could be spent on other priorities for European citizens;
12. Welcomes the inclusion of two pathways aimed at reaching net-zero GHG emissions by 2050 and the Commission's support for these, and considers the mid-century objective as the only one compatible with the Union's commitments under the Paris Agreement; regrets the fact that no net-zero GHG pathways for before 2050 were considered in the strategy;
13. Notes that the pathways proposed in the strategy involve the use of a number of carbon removal technologies, including through carbon capture and storage (CCS) or carbon

capture and utilisation (CCU) and direct air capture, that have yet to be deployed on a large scale; considers, however, that the EU net-zero strategy should prioritise direct emission reductions and actions conserving and enhancing the EU's natural sinks and reservoirs; believes that further action by 2030 is needed if the Union is to avoid relying on carbon removal technologies that would entail significant risks for ecosystems, biodiversity and food security, as also confirmed by the IPCC 1.5° special report;

### *Social aspects of climate change and a just transition*

14. Welcomes the Commission's assessment that net-zero emissions are possible without net job losses and takes positive note of the detailed assessment of the transition in energy intensive industries; highlights the finding that, if handled well with the appropriate support for the most vulnerable regions, sectors and citizens, a just transition towards net-zero GHG emissions has the potential to create a net gain of jobs in the Union – economy-wide employment will increase by 2.1 million additional jobs by 2050 under a net-zero emissions scenario compared to an employment increase of 1.3 million additional jobs under the 80 % emission reduction scenario; considers, therefore, that the Commission should develop a renewed skills audit under the EU Skills Panorama, with regional data on the skills needs for a climate-neutral Europe to support the most vulnerable regions, sectors and people in re-skilling for future-proof, high-quality jobs in these same regions;
15. Stresses the numerous co-benefits a climate neutral society will have on public health, including in terms of savings on the cost of care and a lighter burden on insurance and public health systems, as well as on the general well-being of European citizens thanks to enhanced biodiversity, a reduction in air pollution and mitigated exposure to pollutants; notes that under such a scenario, health damages would be reduced by around EUR 200 billion per year;
16. Stresses the importance of creating a just transition fund, especially for the regions most affected by decarbonisation, such as coal mining regions, combined with a general consideration of the social impacts of existing climate funding; highlights, in this regard, the need for wide public acceptance of the long-term strategy, given the transformations needed in some sectors;
17. Underlines the need for an anticipatory approach to ensure a just transition for EU citizens and to support the regions most affected by decarbonisation; believes that Europe's climate transition must be ecologically, economically and socially sustainable; stresses that, in order to ensure political acceptance by all citizens, it is important to take into account the distributional effects of climate-related and decarbonisation policies, specifically on people with low incomes; considers, therefore, that social impacts should be taken into full consideration in all EU and national climate policies with a view to ensuring a social and ecological transformation in Europe; emphasises, in this respect, that tailor-made and sufficiently funded strategies at all levels will need to be designed on the basis of inclusive processes and in close collaboration with local and regional public authorities, trade unions, educational institutions, civil society organisations and the private sector, to ensure that fair and equal opportunities are offered to all European citizens in this transition;

18. Recalls that approximately 50 to 125 million European citizens are currently at risk of energy poverty<sup>4</sup>; highlights that the energy transition can have a disproportionate effect on people with low incomes and further increase energy poverty; calls on the Member States to assess the number of households in energy poverty in their integrated national energy and climate plans and to take follow-up actions if necessary, as required by the Governance Regulation; calls on the Member States to take forward-looking action to ensure a just energy transition and access to energy for all EU citizens;

### *Intermediate targets*

19. Recognises that the decade from 2020 to 2030 will be of crucial importance if the EU is to reach net-zero by 2050; calls on the Commission and the Member States to support a strong medium-term target for 2030, as this is necessary to bring sufficient investment stability to the market, to fully harness the potential of technological innovation and to increase opportunities for Europe's businesses to become global market leaders in low-emission production;
20. Stresses that in order to reach net-zero GHG emissions in 2050 in the most cost-efficient manner, the 2030 ambition level will need to be raised and aligned with net-zero 2050 scenarios; believes it to be of the utmost importance for the Union to send a clear message, during the UN Climate Summit in New York in September 2019 at the latest, that it stands ready to review its contribution to the Paris Agreement;
21. Supports an update of the Union's NDC; calls, therefore, on EU leaders to support an increase in the level of ambition of the Union's NDC accordingly at the special EU Summit in Sibiu in May 2019, in view of the UN Climate Summit in September 2019;
22. Considers that the Commission should, during the 2022-2024 reviews of the 2030 climate package and other relevant legislation at the latest, present legislative proposals that raise the level of ambition in line with the updated NDC and the net-zero emissions target; believes that insufficient 2030 ambition would limit future options, possibly including the availability of certain options for cost-efficient decarbonisation; considers these reviews to be an important milestone in securing the EU climate commitments;
23. Believes that, as a means to further ensure increased stability for markets, it will also be beneficial for the EU to establish a further interim emission reduction target by 2040 that can provide additional stability and ensure that the long-term 2050 target is met;
24. Considers that the EU net-zero emissions strategy should be informed by the five-yearly global stocktake as set out in the Paris Agreement and take into account technological and societal developments, as well as the input of non-state actors and the European Parliament;

### *Sectoral contributions*

25. Emphasises that net emissions will have to be reduced to close to zero in all sectors of

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<sup>4</sup>[http://www.europarl.europa.eu/RegData/etudes/STUD/2015/563472/IPOL\\_STU\(2015\)563472\\_EN.pdf](http://www.europarl.europa.eu/RegData/etudes/STUD/2015/563472/IPOL_STU(2015)563472_EN.pdf)  
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the economy, which should all contribute to the joint efforts to reduce emissions; calls on the Commission, therefore, to develop pathways to climate neutrality for all sectors; stresses the importance of the ‘polluter pays’ principle in this regard;

26. Stresses the importance of the various climate measures and legislation adopted in different policy domains, but warns that a scattered approach might lead to inconsistencies and not to the EU achieving a net-zero GHG economy by 2050; believes that an overarching approach needs to be taken;
27. Asks the Commission to examine the possibility of a harmonisation of carbon and energy pricing in the EU in support of the transition to a net-zero emissions economy, in particular for those sectors not covered by the EU’s ETS; asks the Commission to examine the best possible way to avoid cases of hardship and insists that the overall burden on citizens should not increase;
28. Acknowledges the role attributed to CCS in most 1.5°C scenarios in the IPCC 1.5°C special report; stresses the need for the EU to pursue greater ambition in this area; further notes the targets set by Member States under the Strategic Energy Technology (SET) Plan to implement commercial-scale CCS in the European energy and industrial sector in the 2020s; considers it necessary to increase the use in industrial processes of environmentally safe CCU and CCS, delivering a net reduction in emissions through emission avoidance or permanent storage of CO<sub>2</sub>; notes with concern that many CCU technologies are not delivering permanent emission reductions at present; calls on the Commission, therefore, to develop technical criteria which ensure support only to those technologies that deliver verifiable results;
29. Points out that the strategy confirms that GHG emissions from the transport sector are still on the rise and that current policies will not be sufficient to decarbonise the transport sector by 2050; underlines the importance of ensuring a modal shift from air to rail travel, including through the swift realisation of an interoperable intra-EU rail network and mobilising enhanced investments, and towards public transport and shared mobility; notes that road transport contributes about one fifth of the EU’s total CO<sub>2</sub> emissions; calls on the Member States and the Commission, therefore, to take decisive steps to enable access to zero- and low-emission vehicles for consumers in all Member States, while avoiding an increased uptake of old, highly polluting vehicles in lower-income Member States; further underlines the role of smart technologies such as smart charging infrastructure in establishing synergies between the electrification of transport and the deployment of renewable energy sources;
30. Underlines that in order to achieve climate neutrality for the EU economy as a whole, all sectors must contribute, including international aviation and shipping; notes that the Commission’s analysis shows that the current global targets and measures envisaged by the International Maritime Organisation and the International Civil Aviation Organisation respectively, even if fully implemented, fall short of the necessary emissions reductions, and that significant further action consistent with the economy-wide objective of net-zero emissions is needed; highlights the need for investments in zero- and low-carbon technologies and fuels in these sectors; calls on the Commission to put the ‘polluter pays’ principle into practice in these sectors; recalls that GHG

emissions from international shipping are projected to increase by as much as 250 % by 2050; welcomes the fact that the international shipping sector has set itself an absolute reduction target for GHG emissions; notes with concern the lack of progress as regards the translation of this target into short- and medium-term measures and other concrete actions; notes the different burden borne by different modes of transport; calls for the increased ETS revenues to be used to promote environmentally friendly modes of transport such as buses or railways;

31. Notes that approximately 60 % of the world's methane is emitted by sources such as agriculture, landfills and wastewater, and the production and pipeline transport of fossil fuels; recalls that methane is a potent GHG with a 100-year global warming potential, 28 times more powerful than CO<sub>2</sub><sup>5</sup>; reiterates its call on the Commission to explore as soon as possible policy options for rapidly addressing methane emissions as part of a Union strategic plan for methane, and to present legislative proposals to Parliament and the Council to that effect;
32. Underlines that agriculture will be one of the main remaining sources of EU GHG emissions in 2050, owing in particular to methane and nitrous oxide emissions; underlines the potential of the agricultural sector in tackling the challenges of climate change, for example through ecological and technological innovations, as well as carbon capture in soil; calls for a common agricultural policy that contributes to GHG emission reductions in line with the transition to a climate neutral economy; calls on the Commission to ensure that agricultural policies, in particular EU and national funds, are in line with the objectives and goals of the Paris Agreement;
33. Stresses the need to mainstream climate ambition into all EU policies, including trade policy; urges the Commission to ensure that all trade agreements signed by the EU are fully compatible with the Paris Agreement, as not only would this enhance global action on climate change, but it also guarantees a level playing field for the sectors affected;
34. Supports active and sustainable forest management at national level, together with concrete means to incentivise an efficient and sustainable EU bioeconomy, given the considerable potential of forests to contribute to the strengthening of Europe's climate efforts (through sequestration, storage and substitution) and the achievement of the target of zero emissions by 2050; recognises the need for climate change adaptation and to halt biodiversity loss and the degradation of ecosystem services in the EU by 2020, as well as the need to develop evidence-based policies that help implement and finance EU biodiversity conservation measures;

### ***Energy policy***

35. Highlights the contribution of energy efficiency to security of supply, economic competitiveness, environmental protection, the reduction of energy bills and the improvement of the quality of homes; confirms the important role of energy efficiency

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<sup>5</sup> Van Dingenen, R., Crippa, M., Maenhout, G., Guizzardi, D., Dentener, F., Global trends of methane emissions and their impacts on ozone concentrations, EUR 29394 EN, Publications Office of the European Union, Luxembourg, 2018, ISBN 978-92-79-96550-0, doi:10.2760/820175, JRC113210.

in the creation of business opportunities and employment, as well as its global and regional benefits; recalls, in this connection, the introduction of the ‘energy efficiency first’ principle under the Governance Regulation, and that its application should be fully exploited in a cost-efficient way throughout the energy chain and considered as the basis for any pathway towards the 2050 net-zero target;

36. Highlights the central role of energy in the transition towards a net-zero GHG economy; recalls that the Union has managed to successfully decouple GHG emissions from economic growth in recent decades and has reduced emissions, particularly through energy efficiency and the penetration of renewables; stresses that the clean energy transition should continue to spur the modernisation of the European economy, drive sustainable economic growth and bring societal and environmental benefits for European citizens;
37. Believes that EU leadership in renewable energy and energy efficiency demonstrates to other parts of the world that the clean energy transition is both possible and beneficial beyond the fight against climate change;
38. Points out that achieving a net-zero GHG economy will require considerable additional investments in the EU’s energy system and related infrastructure compared to today’s baseline, in the range of EUR 175 to 290 billion a year;
39. Stresses, in view of the different starting points of the energy transition, that efforts to reduce greenhouse gases with a view to achieving climate neutrality at EU level may be spread unevenly across the EU;
40. Calls on the Member States to implement the Clean Energy Package without delay; recalls the competence of the Member States to decide on their energy mix within the EU climate and energy framework;
41. Calls for a highly energy-efficient and renewable-based energy system and asks the Commission and the Member States to take all necessary action in that regard, as it will have spill-over effects across all economic sectors; highlights that all pathways presented by the Commission assume a drastic reduction of fossil fuels and a strong increase in renewable energies;
42. Underlines that the Ecodesign Directive<sup>6</sup> has contributed significantly to the EU’s climate targets by reducing greenhouse gas emissions by 320 million tonnes of CO<sub>2</sub> equivalents annually, and that it is estimated that by 2020, EU consumers will save up to EUR 112 billion in total, or around EUR 490 per household every year as a result of the directive; calls for additional products to be regulated under the Ecodesign Directive, including tablets and smartphones, and for existing standards to be kept up to date in order to reflect technological developments;
43. Stresses the need to ensure further integration of the European energy market in order to

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<sup>6</sup> Directive 2009/125/EC of the European Parliament and of the Council of 21 October 2009 establishing a framework for the setting of ecodesign requirements for energy-related products (OJ L 285, 31.10.2009, p. 10).

decarbonise the power sector in the most effective way, facilitate investments where the most renewable energy production can be achieved and encourage the active participation of citizens, with a view to speeding up the energy transition towards a carbon neutral and sustainable economy; considers it essential to raise the level of interconnectivity between Member States and encourage more cross-border support schemes;

44. Notes that the EU construction sector currently accounts for 40 % of Europe's final energy consumption and 36 % of its CO<sub>2</sub> emissions<sup>7</sup>; calls for the sector's potential for energy savings and carbon footprint reduction to be unlocked, in accordance with the objective set out in the Energy Performance of Buildings Directive<sup>8</sup> of achieving a highly energy-efficient and decarbonised building stock by 2050; stresses that making the energy consumption of buildings more efficient holds substantial potential for further reducing Europe's GHG emissions; considers, in addition, that the achievement of low-energy buildings, fully supplied by renewable energy, is a *sine qua non* for the Paris Agreement and for an EU agenda for growth, local jobs and improved living conditions for citizens across Europe;
45. Calls on all levels of government, whether national, regional or local, to put in place measures to encourage the participation of citizens in the energy transition and to stimulate the exchange of best practices; stresses that the involvement of citizens in the energy system through decentralised self-generation of renewable energy, electricity storage and participation in demand response and energy efficiency schemes will be crucial in the transition to net-zero GHG emissions; calls, therefore, for the full integration of active citizen engagement in these pathways, in particular on the demand side;

### ***Industrial policy***

46. Believes that economic prosperity, global industrial competitiveness and climate policy are mutually reinforcing; reiterates that the transition towards a net-zero GHG economy presents challenges and opportunities for the EU, and that investments in industrial innovation, including digital technologies and clean technology, will be needed to spur growth, strengthen competitiveness, boost future skills and create millions of jobs, for example in a growing circular economy and bioeconomy;
47. Underlines that a stable and predictable energy and climate policy framework is key to providing much-needed investor confidence and to enabling European industries to make long-term investment decisions in Europe, since the lifetime of most industrial installations exceeds 20 years;
48. Highlights the role of energy intensive industries in achieving long-term EU GHG reductions; considers that maintaining the EU's low-carbon industrial leadership and

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<sup>7</sup> <https://ec.europa.eu/energy/en/topics/energy-efficiency/buildings>

<sup>8</sup> Directive (EU) 2018/844 of the European Parliament and of the Council of 30 May 2018 amending Directive 2010/31/EU on the energy performance of buildings and Directive 2012/27/EU on energy efficiency (OJ L 156, 19.6.2018, p. 75).

industrial production in the EU, preserving the competitiveness of European industries, minimising the dependency on fossil fuels and the exposure to volatile and rising fossil fuel import prices, and avoiding the risk of carbon leakage, necessitates intelligent and targeted policy frameworks; calls on the Commission to present a new and integrated EU industrial climate strategy for energy-intensive industries in support of a competitive net-zero emissions heavy industry transition;

49. Calls on the Commission to develop an industrial strategy with measures that enable European industry to compete globally on a level playing field; considers that as part of this policy, the Commission should examine the effectiveness, and compatibility with World Trade Organisation rules, of additional measures to protect industries at risk of carbon leakage in respect of the importation of products, which would replace, adapt or complement any existing measures on carbon leakage;
50. Notes that a number of emerging markets are positioning themselves to play an important role in meeting the needs of the global market during the transition to a net-zero emissions economy, for instance with regard to zero-emissions transport and renewable energy; stresses that the EU must remain the leading economy in green innovation and investments in green technology;
51. Notes that the Commission's 2018 report on energy prices and costs in Europe<sup>9</sup> highlights the ongoing high exposure of the EU to volatile and rising fossil fuel prices and that future electricity production costs are expected to increase for fossil fuel-generated electricity and fall for renewables; stresses that EU energy import costs increased by 26 % in 2017 to EUR 266 billion, mainly due to increasing oil prices; further notes that the report estimates that oil price increases have had a negative impact on EU growth (-0.4 % GDP in 2017) and inflation (+0.6);

### ***Research and innovation***

52. Underlines that EU and national research and innovation programmes are crucial to supporting the Union in its leading role in the fight against climate change and believes that climate mainstreaming should be integrated adequately into the preparation and implementation of research and innovation programmes;
53. Considers that substantial research and innovation efforts will be required in the next two decades in order to make low- and zero-carbon solutions available to all and socially and economically viable and to bring about new solutions for achieving a net-zero GHG economy;
54. Underlines its position that Horizon Europe must contribute at least 35 % of its expenditures to climate objectives as appropriate and as part of the general Union objective of mainstreaming climate actions;

### ***Financing***

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<sup>9</sup> <https://eur-lex.europa.eu/legal-content/EN/TXT/?qid=1548155579433&uri=CELEX:52019DC0001>  
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55. Calls for rapid implementation of the EU ETS Innovation Fund and for the start of the first call for proposals in 2019, in order to boost investments in the demonstration of low-carbon industrial breakthrough technologies in a wide array of sectors, not only electricity production, but also district heating and industrial processes; calls for the 2021-2027 multiannual financial framework and its programmes to be fully consistent with the Paris Agreement;
56. Considers that in order for the Union to reach net-zero emissions by 2050 at the latest, substantial private investments need to be mobilised; believes that this will require long-term planning and regulatory stability and predictability for investors and, accordingly, due consideration in future EU regulations; stresses, therefore, that the implementation of the Sustainable Finance Action Plan adopted in March 2018 should be prioritised, including a calibration of the capital requirements of banks and prudential treatment of high-carbon assets, prudential rules for insurance companies and an update of institutional investors' and asset managers' duties;
57. Considers that the 2021-2027 MFF should, before its adoption, be evaluated in the light of the objective to reach a climate neutral economy by 2050, and that a standard test to ensure that expenditure under the EU budget is climate-proof must be established;
58. Regrets the fact that fossil fuel subsidies are still increasing and amount to around EUR 55 billion per year<sup>10</sup>; calls for the EU and the Member States to immediately phase out all European and national fossil fuel subsidies;
59. Stresses the importance of a just transition to a carbon neutral economy and calls on the Member States to put in place appropriate policies and financing in this regard; underlines that EU spending from relevant funds could provide additional support where appropriate;

### *The role of consumers and the circular economy*

60. Highlights the significant impact of behavioural change in achieving GHG emission reductions; calls on the Commission to explore policy options as soon as possible, including on environmental taxation, in order to encourage behavioural change; underlines the importance of bottom-up initiatives such as the Covenant of Mayors in promoting behavioural change;
61. Underlines that a very large part of energy use, and therefore GHG emissions, is tied directly to the acquisition, processing, transport, conversion, use and disposal of resources; stresses that very significant savings could be made at each stage in the resource management chain; highlights, therefore, that increasing resource productivity through improved efficiency and reducing resource waste through measures such as reuse, recycling and remanufacturing can significantly lower both resource consumption and GHG emissions while improving competitiveness and creating business opportunities and jobs; highlights the cost efficiency of circular economy measures; underlines that improved resource efficiency and circular economy approaches, as well

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<sup>10</sup> Energy Prices and Costs in Europe, COM(2019)0001, pp. 10-11.

as circular product design, will help to bring about a shift in production and consumption patterns and reduce the amount of waste;

62. Stresses the importance of product policy, such as green public procurement and ecodesign, which can make a significant contribution to energy savings and to reducing the carbon footprint of products, while at the same time improving the footprint of the materials used and the overall environmental impact; highlights the need to establish circular economy requirements as part of EU ecodesign standards and to expand the current ecodesign methodology to other product categories in addition to energy-related products;
63. Considers that the work on a reliable model for measuring the climate impact based on consumption should be continued; takes note of the conclusion in the Commission's in-depth analysis that the EU's efforts to reduce emissions from its production are somewhat levelled off by imports of goods with a higher carbon footprint, but that the EU nevertheless has contributed significantly to the reduction of emissions in other countries because of the increased trade flow and the improved carbon efficiency of its exports;

### ***The EU and global climate action***

64. Underlines the importance of increased initiatives and sustained dialogue in relevant international fora, and of effective climate diplomacy with the aim of spurring on similar policy decisions that ramp up climate ambition in other regions and third countries; calls for the EU to increase its own climate financing and to work actively to encourage Member States to increase their climate aid (development aid rather than loans) to third countries, which should come in addition to overseas development assistance and should not be double counted as both development and climate finance aid;
65. Emphasises that the UN Climate Change Summit of September 2019 will be the right moment for leaders to announce an increased ambition in terms of NDCs; considers that the EU should adopt a position on updating its NDC well in advance, so as to arrive at the summit well-prepared and in close cooperation with an international coalition of Parties in support of enhanced climate ambition;
66. Highlights the merit of strengthening interoperability between EU policy instruments and third country equivalents, notably carbon pricing mechanisms; calls on the Commission to continue and intensify cooperation and support in the development of carbon pricing mechanisms outside Europe in order to pursue increased emission reductions and an improved level playing field worldwide; underlines the importance of establishing environmental safeguards to ensure real and additional GHG reductions; calls on the Commission therefore to advocate for strict and robust international rules to prevent loopholes in accounting or double counting of emission reductions;

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67. Instructs its President to forward this resolution to the Council, the Commission, and the governments and parliaments of the Member States.