

Can the EU Green Deal Work ?

Economics Workshops

"Climate change is the biggest challenge of our times. And it is an opportunity to build a new economic model."

European Commission



DUFFOUR BRICE / ETIENNE BEUNEL / ROMANE
LAMIRAUD / BARTHÉLÉMY PLOQUIN

The European Green Deal

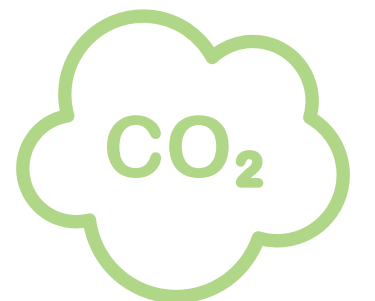
Context :

- Launched in December 2019 by the European Commission (under Ursula von der Leyen).
- Aims to make the EU climate-neutral by 2050.
- Addresses climate crisis, biodiversity loss, pollution, and resource depletion.
- Aligns with the Paris Agreement goals.



Objectives :

- Carbon Neutrality by 2050
- Sustainable Industry & Circular Economy
- Clean Mobility
- Biodiversity & Ecosystem Protection
- Sustainable Agriculture (Farm to Fork)
- Green Finance & Investments
- Just Transition & Social Inclusion



Factors for the Success of the Green Deal

Financial and technological factors :

- At least 1,000 billion euros of sustainable investments over the next decade and a third of the 750 billion euros NextGenerationEU recovery plan.
- 37% of the financing received under the Recovery and Resilience Facility, amounting to 672.5 billion euros, must be dedicated to investments that support climate objectives.
- Innovations projects of capture and stockage of CO₂ and development of renewable energy.



Factors for the Success of the Green Deal

Collective commitment and collaboration :

- Collaboration between member states, european institutions to harmonize climate and energy policies..
- Just transition policy, environmental awareness and education to encourage sustainable behaviours.
- International agreements (Paris agreement) and promoting ecological standards on a global scale.



Major Obstacles and Challenges

Financial barrier :

- Investment of approximately €**1 trillion** over the next ten years
- Funds = mix of **public** and **private** sources
- The **Multiannual Financial Framework** (MFF)

Political barrier :

- Countries that rely heavily on fossil fuels are particularly **resistant** to ambitious climate policies.
- Divergence in priorities creates **delays in policy implementation** and may **weaken** the overall **effectiveness** of the Green Deal.
- Raises concerns about **energy security**, especially in the context of geopolitical tensions.

Major Obstacles and Challenges

Social barrier :

- Create new **social risks**, disproportionately affecting **low-income** and **lower-middle-class** households.
- Just Transition Fund and the Social Climate Fund, to mitigate social impacts.

Technological barrier :

- Must **modernize its electricity grids**, which were originally designed for centralized fossil fuel plants rather than decentralized renewable sources.
- **Raw materials** like lithium, cobalt, and rare earth elements, **essential** for batteries, wind turbines, and electric vehicles.
- **China dominates the rare earth market.**

Perspectives and Scenarios Assessment

✓ Strong Political & Financial Commitment

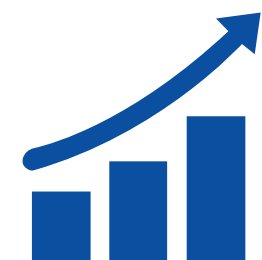
- Full implementation of the Emissions Trading System (ETS).
- Expansion of green investment programs via the European Investment Bank (EIB).

✓ Technological & Industrial Leadership

- Rapid deployment of hydrogen, battery storage, and carbon capture technologies.
- EU industries lead in green steel, sustainable aviation fuels, and electric mobility.

✓ Public & Private Sector Collaboration

- Citizens adopt sustainable lifestyles (reduced energy consumption, electric & energy transport).
- Large-scale investments from private companies accelerate the green transition.



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KAHOOT TIME !!

