

EXECUTIVE SUMMARY

As the coronavirus (COVID-19) pandemic is still unfolding, the relevance of the European Green Deal and its potential role in recovery plans are being heavily debated. While some have argued that it needs to be delayed or abandoned altogether, this paper argues that the Green Deal becomes an even more essential policy in the new context of recovery from the recession and provides an unintended opportunity not to return to the past and instead “build back better”.¹ Conversely, the paper warns against an unsustainable recovery pathway which would waste precious public funds on shoring up the fossil fuel economy and lock Europe’s youth and future generations into destructive high-carbon and unsustainable pathways.

The current sanitary crisis has opened up a new understanding of the interrelation between humans, wildlife and our shared ecosystems, and the meaning of well-being and healthy living. Interestingly, concepts such as the ‘One Health’² approach are being elevated in discussions as the pandemic profoundly challenges how we establish priorities and structure our societies.

The European Green Deal is a necessary part of the EU recovery plan and therefore should be reflected in the Multiannual Financial Framework (MFF) the Green Deal must be designed and implemented by putting fairness and equity at its very core. This is the main added value of this report. Whilst it is paramount to address the current emergency needs, planning for the future and the transformation of our economies also needs to be taking place.

To avoid unnecessary trade-offs between the recovery of economies, societies and ecosystems, operationalising the principle of “leaving no one behind” is paramount. This requires addressing the **intra-EU, intra-country and intergenerational equity** challenges that lie at the heart of the multiple environmental crises – including run-away climate change, the mass extinction of animals and plants, waste and pollution.

● INTRA-COUNTRY EQUITY: PUTTING EQUITY AND WELL-BEING FOR ALL AT THE CENTRE OF THE GREEN DEAL

1. Adopt green recovery plans to **kick start systemic change in the mobility, nutrition, housing, leisure and energy systems**, including promoting the emergence of novel practices and technologies, their diffusion and uptake within society and the reconfiguration of established systems
2. **Close the financial gap for the Green Deal** by adopting **green quantitative easing and exempting investments** necessary for climate mitigation, adaptation or a just transition **from the fiscal rules in the Stability and Growth Pact**.
3. **Increase the ambition of the Just Transition Mechanism**, with new resources mobilised through a green financial transaction tax.
4. **Coordinate green recovery plans more effectively** and use the **reformed European Semester process** to assess the quality of recovery plans and adopt a new approach in terms of recommendations and support for structural reforms. As part of the reform of the semester, the Annual Sustainable Growth Strategy process should be complemented by a **2050 Strategy for Sustainable Prosperity**, with long-term economic indicators, but also relevant indicators on well-being, sustainability and intergenerational equity, upon which progress from Member States would be assessed.
5. **Distribute carbon dividends to European citizens to support recovery and employment** by **eliminating fossil fuel subsidies** and by exploring a coordinated **reduction in the taxation of labour across Member States, compensated by an increase in environmental taxation**.
6. Continue to proceed with Green Deal **structural reforms** while putting a great emphasis on **welfare, employment and regional measures** including **structural reorientation measures** to support

affected workers, regions and communities, as well as small and medium-sized enterprises (SMEs).

7. **Adopt targeted initiatives to put “those further behind first”** in each of the sectoral plans of the Green Deal – such as air pollution plans that prioritise highly polluted, poorer areas – and adopt **post-2020 targets for poverty and inequality reduction**.
8. **Promote societal resilience through adequate funding for climate adaptation and the promotion of a green care economy**

● INTER-COUNTRY EQUITY: HARNESSING THE GREEN DEAL FOR GREATER COHESION AND SOLIDARITY

1. Explore **long-term, inter-country convergence targets for the European Union**, with aligned cohesion programmes, enabling increased investment into priority sectors, such as **low-carbon infrastructure**.
2. Ensure **cohesion programming is well resourced and fully in-line with sustainability goals**, eliminating loopholes and with robust oversight, as an expression of solidarity.
3. Use the Industrial Strategy to foster **locating new industries in depressed regions and less well-off countries**.
4. **Use territorial just transition plans** to work **directly with local and regional authorities**.
5. Develop **educational programmes** for vulnerable countries and regions that aim at developing human capital for greater participation in the green economy.
6. Put **research and innovation (R&I) for sustainability** at the service of an intra-EU economic, social and ecological convergence.
7. Introduce more **robust enforcement of cross-border pollution infringements**.
8. **Make a 2030 target for coal phaseout a priority of cohesion policy in 2021-27** for health and climate protection, while taking account of the just transition and different capabilities of Member States.

● INTERGENERATIONAL EQUITY: FOSTERING INTERGENERATIONAL SOLIDARITY

1. **“Future proof” infrastructure investments** within economic recovery plans.
2. **Integrate intergenerational justice** in the framework of the new Climate Law and into policies under review, such as the Farm to Fork strategy and the Common Agricultural Policy (CAP) reform, better regulation and the semester process.
3. Create an **EU Future Generation’s Ombudsman**: Building on lessons from youth councils and citizen’s assemblies, **support greater youth involvement in voting and existing democratic processes**, starting from the local level and extending voting rights to 16-year-olds.
4. Mainstream **sustainability issues within the EU Youth Strategy 2019-2027** and fund green vocational training for the youth.
5. Address the specific **vulnerabilities of the elderly in the climate adaptation strategy** but also in sectoral policies which might affect prices of essential goods and services.
6. **Promote intergenerational dialogues** as part of the processes around the Future of Europe conference and the Climate Pact.
7. Explore **European green volunteerism programme for pensioners**.
8. Make **green pension fund** investment decisions part of the second phase of the Sustainable Finance action plan.

1 Using the expression of the UN Secretary General Antonio Guterres.

2 <https://www.who.int/news-room/q-a-detail/one-health>

