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Climate, Energy, Environment and Transport

Candidates, Portfolios and EU Initiatives for the EU Commission 2024-2029

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Between the 4th and 12th of November, the candidates for the upcoming European Commission 2024-2029 will be closely scrutinised by the members of the European Parliament. During these confirmation hearings, the Commissioners-designate will have to answers questions on EU initiatives outlined by the Commission President Ursula von the Leyen in her Political Guidelines and Mission Letters to the new Commissioners. In the run-up to the hearings, this cepInput takes a closer look at the candidates, portfolios and important EU initiatives that will shape future EU policies on climate, energy, environment and transport.

- **EU climate target for 2040:** The European Commission wants to propose a legally-binding reduction of greenhouse gas (GHG) emissions of at least 90% compared to 1990. The ambition of the 2040 climate target will determine how ambitious the respective post-2030 EU policies and legal instruments must be.
- **CO_2 emission performance standards for cars:** The Commission plans a targeted amendment as part of its review in 2026 to allow for more technology-neutrality in which e-fuels have a role to play. However, more flexibility is needed to enable the European automotive industry to meet the targets and be competitive.
- **Chemicals industry package:** The Commission wants to propose legislation to improve the sustainability and competitiveness of the chemicals industry, to simplify the REACH Regulation and to clarify the status of the the "forever chemicals" PFAS. An update and improvement of the chemicals legislation is long overdue.

1 Run-up to the Next European Commission 2024-2029

Following the elections of the European Parliament in June and the re-election of Ursula von der Leyen for her second term as President of the European Commission 2024-2029 in July, the remaining 26 members of the College of Commissioners have to be appointed in the coming weeks. Based on proposals by the EU Member States, Ursula von der Leyen presented her list of candidates[1] in September along with a revised organisational structure of the next European Commission regarding the functions and the policy portfolios of the commissioners. Before the College of Commissioners will be collectively approved by the European Parliament and appointed by the European Council, each candidate will be closely scrutinised by the members of the European Parliament. During these public confirmation hearings, which will take place between the 4th and 12th of November[2], the Commissioners-designate will have to answer questions, especially on those prospective EU initiatives and legislative projects which have been outlined by the Commission President in her Political Guidelines[3] and also on their respective tasks as assigned in the Mission Letters[4] addressed to each of them. In the run-up of the hearings, this cep**Input** takes a closer look at the Commissioners-designate as well as at their portfolios, tasks and important EU initiatives which will shape the future specifically of the EU policies on climate, energy, environment and transport.

2 Relevant Commissioners-designate, Functions and Portfolios

The revised structure of the next European Commission regarding the organisational functions and the policy portfolios of the Commissioners aims to reflect that EU initiatives and legislative projects often involve different subject matters and pursue various objectives simultaneously – e.g., environmental protection, cost-effectiveness, international competitiveness, and social aspects. While Ursula von der Leyen emphasises[5] that according to the EU treaties[6] all members of the College of Commissioners are equal, her organisational revision introduces a functional distinction between “Executive Vice-Presidents” and “regular” Commissioners. All members of the College of Commissioners will be assigned a policy portfolio with specific tasks for implementing the existing EU acquis and for developing new EU initiatives in the respective policy fields. To fulfil these tasks, each College member will be supported by one or more Directorates-General (DGs) assigned specifically to them. In addition, however, the six Executive Vice-Presidents will play a leading role in a thematic priority area, working together with one or more regular Commissioners by giving “guidance” to them. Consequently, two or more members of the College of Commissioners will cooperate on a specific EU initiative or legislative project, albeit with different functions – ranging, e.g., from “leading” to “overseeing” or “supporting” to “contributing”. With regard to the EU policies on climate, energy, environment and transport, the following Commissioners-designate, organisational functions and policy portfolios are relevant:

1 European Commission (2024), List of Commissioners-designate (2024-2029).
2 European Parliament (2024), Confirmation hearings for the European Commission.
3 European Commission (2024), Political Guidelines for the next European Commission 2024-2029; see De Petris, A. et al. (2024), The Political Guidelines 2024-2029 of the European Commission “von der Leyen II” – Recommendations for Concrete EU Measures to Implement Them, cepInput 12/2024.
4 European Commission (2024), List of Commissioners-designate (2024-2029).
5 European Commission (2024), Press statement of 17 September 2024 by President von der Leyen on the next College of Commissioners.
6 Treaty on European Union (TEU), Art, 17; Treaty on the Functioning of the European Union (TFEU), Art. 244 et seq.

Teresa Ribera Rodríguez	Clean, Just and Competitive Transition

Country: Spain

European Parliamentary Group:
Progressive Alliance of Socialists and Democrats (S&D)

Function and Portfolio: Executive Vice-President for Clean, Just and Competitive Transition

Assigned DG: Competition

Lead: Works under the guidance of the President of the European Commission

Stéphane Séjourné	Prosperity and Industrial Strategy

Country: France

European Parliamentary Group:
Renew Europe

Function and Portfolio: Executive Vice-President for Prosperity and Industrial Strategy

Assigned DG: Internal Market, Industry, Entrepreneurship and SMEs (Grow)

Lead: Works under the guidance of the President of the European Commission

Wopke Hoekstra	Climate, Net Zero and Clean Growth

Country: The Netherlands

European Parliamentary Group:
European People's Party (EPP)

Function and Portfolio: Commissioner for Climate, Net Zero and Clean Growth

Assigned DGs: Climate Action; Taxation and Customs

Lead: Works under the guidance of the Executive Vice-President for Clean, Just and Competitive Transition

Dan Jørgensen — Energy and Housing

Country: Denmark

European Parliamentary Group:
Progressive Alliance of Socialists and Democrats (S&D)

Function and Portfolio: Commissioner for Energy and Housing

Assigned DG: Energy; Taskforce on Housing

Lead: Works under the guidance of the Executive Vice-President for Clean, Just and Competitive Transition

Jessika Roswall — Environment, Water and Circular Economy

Country: Sweden

European Parliamentary Group:
European People's Party (EPP)

Function and Portfolio: Commissioner for Environment, Water Resilience and a Competitive Circular Economy

Assigned DG: Environment

Lead: Works under the guidance of the Executive Vice-President for Clean, Just and Competitive Transition

Apostolos Tzitzikostas — Transport and Tourism

Country: Greece

European Parliamentary Group:
European People's Party (EPP)

Function and Portfolio: Commissioner for Sustainable Transport and Tourism

Assigned DG: Mobility and Transport

Lead: Works under the guidance of the Executive Vice-President for Cohesion and Reforms

3 Important Tasks: EU Initiatives and Legislative Projects

Ursula von der Leyen has outlined in her Political Guidelines for the next European Commission 2024-2029 and in Mission Letters addressed to each of the Commissioners-designated specific tasks assigned to them. With regard to the over 60 prospective EU initiatives and legislative projects dealing with the EU policies on climate, energy, environment and transport, the following are of special importance:

3.1 Climate and Transport

3.1.1 EU Climate Target for 2040

Task

Propose to enshrine a **reduction of greenhouse gas (GHG) emissions of 90%** compared to 1990 in the "European Climate Law" [Regulation (EU) 2021/1119] as **EU climate target for 2040**.

Executive Vice-Presidents and Commissioners Involved

- Executive Vice-President for Clean, Just and Competitive Transition (gives guidance)
- **Commissioner for Climate, Net Zero and Clean Growth** (prepares legislative proposal)

Background

In pursuit of the long-term goal of the UN Paris Climate Agreement[7] to limit global warming to "well below 2° C" and, if possible, 1.5° C compared to pre-industrial levels, the European Union committed itself to reach "climate neutrality"[8] by 2050.[9] As a first stage finish, the EU tightened its climate target for the reduction of domestic[10] GHG emissions – after the deduction of GHG removals from the atmosphere – to at least 55% by 2030 compared to 1990 levels[11] and subsequently overhauled the entire EU climate and energy legislation (*acquis*) to make it fit for the next decade. The resulting "Fit for 55" legislative framework[12] has been complemented by EU legislation in other policy areas of the European Green Deal[13] intended to contribute to the EU's 2030 and 2050 climate targets.

The Paris Agreement requires that by 2025 its parties, including the EU, must set their next GHG emissions reduction targets (Nationally Determined Contributions, NDCs) for the period after 2030. Furthermore, in order to provide predictability and confidence for all businesses, workers, investors and consumers, to ensure a gradual reduction of GHG emissions over time and that the transition towards climate neutrality is irreversible, the European Commission must propose an intermediate EU climate target for 2040 at the latest within six months of the first global stocktake carried out

[7] 2015 Paris Agreement for the Implementation of the 1992 United Nations Framework Convention on Climate Change (UNFCCC) [Paris Agreement], Article 2(1)(a).
[8] Regulation (EU) 2021/1119 establishing the framework for achieving climate neutrality ("European Climate Law"), Article 2(1): EU-wide GHG emissions and removals regulated in EU law "shall be balanced" within the EU at the latest by 2050, "thus reducing emissions to net zero by that date", and the EU "shall aim to achieve negative emissions thereafter."
[9] European Union (2023), Update of 16 October 2023 of the Nationally Determined Contribution (NDC) of the European Union and its Member States under the Paris Agreement, p. 8, No. 28.
[10] The term "domestic" means without the use of international credits.
[11] Regulation (EU) 2021/1119, Article 4(1).
[12] An overview of the content and status quo of the Fit for 55 legislative package is provided by the European Parliament's Legislative Train Schedule: https://www.europarl.europa.eu/legislative-train/package-fit-for-55.
[13] See European Commission (2024), European Green Deal – Striving to be the first climate-neutral continent.

under the Paris Agreement in December 2023.[14] Accordingly, in February 2024 the Commission presented its assessment[15] of options for an EU 2040 climate target for reducing the EU's net GHG emissions compared to 1990 – at least 70% to 80%, at least 85% to 90%, at least 90% to 95% – and recommended a reduction of at least 90% by 2040 relative to 1990.[16] According to the Political Guidelines and to the Mission Letters, the next Commissioner for Climate, Net Zero and Clean Growth has the task to prepare a legislative proposal to enshrine this 90% GHG emission reduction target for 2040.

The recommended EU climate target of at least 90% implies a much steeper GHG emissions reduction than a linear path between 2030 and 2050 and concentrates 77% of the total reduction on the 2030s ("frontloading").[17] The Commission's Impact Assessment characterises the recommended option as the one with the highest overall energy costs and investment needs.[18] Especially enterprises in energy-intensive industries would be comparably more affected, and a stronger decrease of their production as well as of the EU's export share, GDP and employment is predicted in comparison to other options – highlighting the risk of carbon leakage. Moreover, a less than expected development of crucial technologies, such as Carbon-Capture and Storage (CCS) or e-fuels, risks either non-compliance with the target or an increased recourse to biomass leading to land-use problems and potential damages to the environment.[19] However, the relative advantages of the less ambitious target options – which comprise lower technological and environmental risks and lower burdens on households and enterprises as well as the GDP and exports – were deemed as less important by the Commission.[20] In the end, the Commission decided to recommend the most ambitious option since it would result in the most GHG emission reduction and lowest GHG budget used by the EU in the 2030-2050 period.[21] Nevertheless, it is at least questionable whether it is also the most efficient and sensible way to reduce global GHG emissions given that financing additional GHG reductions in third countries would also be an option for the EU to deliver its "fair share" to global climate protection efforts.

3.1.2 Post-2030 Climate Policy Architecture

Task

Prepare a **policy and legal framework** ("architecture") for the **EU climate policy beyond 2030** including the amendment of existing and the proposal of new legislative acts.

14 Regulation (EU) 2021/1119, recital 30 and Article 4(3).
15 European Commission (2024), SWD(2024) 63 of 6 February 2024, Impact Assessment Accompanying Communication COM2024) 63 of 6 February 2024.
16 European Commission (2024), Communication COM2024) 63 of 6 February 2024, Securing our future Europe's 2040 climate target and path to climate neutrality by 2050 building a sustainable, just and prosperous society.
17 European Commission (2024), SWD(2024) 63 of 6 February 2024, Impact Assessment Accompanying Communication COM2024) 63 of 6 February 2024, Part 1, p. 71 et seq.
18 Ibid., Part 1, p. 59 et seq.
19 European Commission (2024), Communication COM2024) 63 of 6 February 2024, Securing our future Europe's 2040 climate target and path to climate neutrality by 2050 building a sustainable, just and prosperous society, p. 7.
20 Ibid.
21 Ibid.

Executive Vice-Presidents and Commissioners Involved

- Executive Vice-President for Clean, Just and Competitive Transition (gives guidance)
- **Commissioner for Climate, Net Zero and Clean Growth** (prepares legislative proposals)

Background

Once a legally-binding EU climate target for 2040 has been proposed by the Commission and set by the EU legislators in the European Climate Law [see above section 3.1.1], the EU must again overhaul its entire EU climate and energy legislation to adapt it to this target for the period after 2030, either by amending existing legal instruments (e.g., for emissions trading, renewable energies, energy efficiency) or by enacting new ones. The ambition of the 2040 climate target will also determine how ambitious the respective post-2030 EU policies and legal instruments must be to operationalise and reach it. In the worst-case scenario, these policies would also have to compensate for a failure to achieve the 2030 target.

3.1.3 Single Market for CO_2

Task

Continue work on the **Industrial Carbon Management Strategy**, with the aim to accelerate the build-up of a **Single Market for CO_2**.

Focus on enhancing **carbon removals** in hard-to-abate sectors and accelerate the work on **carbon credits** to develop a new business model.

Work on **CO_2 transport and storage**, looking at market and cost structure, third-party access, CO_2 quality standards and investment incentives for new infrastructure.

Executive Vice-Presidents and Commissioners Involved

- Executive Vice-President for Clean, Just and Competitive Transition (gives guidance)
- **Commissioner for Climate, Net Zero and Clean Growth** (prepares legislative proposal)
- Other relevant Commissioners (support)

Background

Even if climate neutrality is achieved by 2050, it will be technically impossible or extremely costly to reduce GHG emissions to zero in some "hard-to-abate sectors" like agriculture, aviation and various industries such as lime and cement production and waste incineration. Carbon capture solutions, specifically "negative emission technologies", offer opportunities to diversify existing CO_2 mitigation options. Industrial CO_2 management includes (1) the capture of CO_2 that is difficult to avoid from industrial processes before it is emitted into the atmosphere in order to subsequently utilise it, use it as a raw material in industry, e.g. for the production of synthetic fuels, chemicals, polymers or minerals (Carbon Capture and Utilisation, CCU), or long-term geological storage (Carbon Capture and Storage, CCS) [see section 3.1.5]; and (2) the removal of CO_2 from the atmosphere and its permanent storage, whereby either CO_2 is extracted directly from the atmosphere (Direct Air Carbon Capture and Storage, DACCS) or indirectly by capturing biogenic CO_2 that is produced when biomass is used as a raw material/energy source (Bio Energy Carbon Capture and Storage, BioCCS).

According to the Industrial Carbon Management Strategy [COM(2024) 62], the Commission wants to create (1) an annual industrial storage capacity of 50 million tonnes of CO_2 by 2030 at the latest; (2) a transport infrastructure for captured CO_2 by pipelines, ships, trains and trucks and ensure their interoperability through standardised EU regulations; and (3) a single market for industrial carbon management in which CO_2 becomes a tradable commodity that is shipped for geological storage or use, with one third of the captured CO_2 being used as a raw material. To this end, barriers need to be removed [see cep**Input** 01/2024]. This includes the development of a cross-border CO_2 infrastructure – e.g., pipelines, long-term storage sites – as well as the establishment of EU-wide technical standards, particularly with regard to the properties (temperature, pressure, degree of purity) of the transported CO_2.

3.1.4 Carbon Capture Utilisation and Storage (CCUS)

Task

Make proposals to incentivise and increase the **uptake of carbon capture utilisation and storage** which will play a major role in the transition towards a clean and competitive European economy.

Executive Vice-Presidents and Commissioners Involved

- Executive Vice-President for Clean, Just and Competitive Transition (gives guidance)
- **Commissioner for Energy and Housing** (prepares legislative proposals)

Background

One essential element of the Industrial CO_2 Management Strategy and the plans to establish a single market for CO_2 [see section 3.1.3] is Carbon Capture and Storage (CCUS) which includes (1) the capture of CO_2 that is difficult to avoid from industrial processes before it is emitted into the atmosphere in order to subsequently utilise it, use it as a raw material (Carbon Capture and Utilisation, CCU), or long-term geological storage (Carbon Capture and Storage, CCS). To incentivise and increase the uptake of CCUS, it is essential to widen decarbonisation options in hard-to-abate sectors.

3.1.5 European Climate Adaptation Plan

Task

Work on the **European Climate Adaptation Plan** to support Member States on preparedness and planning for coping with the risks caused by climate change. Regular climate risk assessments should cover the impact on infrastructure, energy, water, food and land.

Assess the need for **legislation on climate resilience and preparedness**.

Executive Vice-Presidents and Commissioners Involved

- Executive Vice-President for Clean, Just and Competitive Transition (gives guidance)
- **Commissioner for Climate, Net Zero and Clean Growth** (prepares legislative proposals)

Background

According to the Commission [Communication COM(2024) 91; see cepPolicyBrief 07/2024], Europe is warming twice as fast as the average of the rest of the world. Risks and damages related to climate change – such as deaths, health problems and economic losses – are the result of heat, droughts, floods, forest fires, diseases and crop failures. Climate adaptation measures are intended to make people and the environment more resilient to climate-related damages.

Given the uncertainty about the future nature and extent of climate change impacts, political and economic actors need to address the likelihood of climate risks and the prevention of climate-related damage. In order to better manage climate-related risks and damages, the Commission wants significant skills, labour and knowledge gaps to be filled and to clarify who is responsible as "risk owners" for climate adaptation measures at EU level and in the Member States – ensuring coordination at European, national, regional and local levels.

It is appropriate and also required by the EU treaties to counter climate risks through precautionary climate adaptation measures. The Commission's aim to increase knowledge of the expected impacts of climate change as well as the impacts and costs of adaptation measures can facilitate effective decision-making. To clarify who is the "risk owner" at EU level and within the Member States can help avoid gaps in responsibility and duplication of work, as well as facilitate overall coordination to ensure that all relevant issues are addressed effectively and efficiently.

3.1.6 CO_2 Emission Performance Standards for Cars

Task

Ensure a **technology-neutral approach** in which **e-fuels** have a role to play through a targeted **amendment of the regulation setting CO_2 emission performance standards for cars** as part of the **review** in 2026.

Executive Vice-Presidents and Commissioners Involved

- Executive Vice-President for Clean, Just and Competitive Transition (gives guidance)
- **Commissioner for Climate, Net Zero and Clean Growth** (prepares legislative proposal)

Background

To contribute to the binding target of reducing economy-wide GHG emissions by at least 40% by 2030 compared to 1990 levels, Regulation (EU) 2019/631[22] tightened CO_2 emissions requirements for new passenger cars and for new light commercial vehicles (vans) from 2020 onwards.[23] In the context of the European Green Deal and the Fit for 55 reforms of the EU's energy and climate

[22] Regulation (EU) 2019/631 setting CO_2 emission performance standards for new passenger cars and for new light commercial vehicles; European Commission (2021), Proposal COM(2021) 556 for a Regulation amending Regulation (EU) 2019/631 as regards strengthening the CO_2 emission performance standards for new passenger cars and new light commercial vehicles in line with the Union's increased climate ambition; see Menner, M. / Reichert, G. (2022), Fit for 55: Climate and Road Transport, cepPolicyBrief 06/2022.

[23] Regulation (EU) 2019/631, recital 6.

acquis, Regulation (EU) 2019/631 was amended in 2023[24] especially by further tightening the CO_2 emission standards for new passenger cars and vans applying from 2030 and by setting a 100% emission reduction target from 2035 onwards in order to make a contribution to reaching the EU climate targets for 2030 and 2050[25]. The 2023 amendments were also justified by the EU legislators with the expectation that more ambitious CO_2 emission standards would accelerate the uptake of zero-emission vehicles (ZEVs).[26]

After a last-minute intervention of Germany[27] with the aim of avoiding a complete *de facto* ban of cars and vans with internal combustion engine (ICE), a legally non-binding recital was included in the final text of Regulation (EU) 2023/851, stating that "the Commission will make a proposal for registering after 2035 vehicles running exclusively on climate-neutral fuels in conformity with Union law, outside the scope of the fleet standards, and in conformity with the Union's climate neutrality objective".[28] According to the Political Guidelines and to the Mission Letters, the next Commissioner for Climate, Net Zero and Clean Growth has the task to prepare a legislative proposal to amend the regulation on CO_2 emission performance standards for cars in a targeted way such that e-fuels have a role to play.

However, this approach is too limited to allow for more technology openness within CO_2 emission standards in two respects. Firstly, it will not provide the European automotive sector, which is struggling with slow growth in demand for battery electric vehicles (BEVs), with more flexibility in time to meet the stringent tailpipe emissions reduction targets for their new car fleets. However, such flexibility would help to keep car production in the EU without compromising long-term GHG reduction targets once the cap of the EU Emissions Trading Scheme for road transport and buildings (EU-ETS 2) is in place. Secondly, it is not apparent why a technology-neutral approach to GHG emissions from cars should not also include biofuels. These could help to maintain a strong and loyal domestic market for efficient ICE vehicles and hybrids that can run on e-fuels or biofuels – such as ethanol or biomethane – that are likely to be in strong demand for many decades to come in developing countries with cheaper biofuel or e-fuel production and inadequate electricity grids.

3.1.7 Electrification of Road Transport: Charging Infrastructure

Task

Work on speeding up the electrification of road transport, including the swift build-up of **charging infrastructure** as well as the simplification of **charging fees and payment means**.

[24] Regulation (EU) 2023/851 amending Regulation (EU) 2019/631 as regards strengthening the CO_2 emission performance standards for new passenger cars and new light commercial vehicles in line with the Union's increased climate ambition; European Commission (2021), Proposal COM(2021) 551 for a Regulation amending Regulation (EU) 2019/631 as regards strengthening the CO_2 emission performance standards for new passenger cars and new light commercial vehicles in line with the Union's increased climate ambition; see Menner, M. / Reichert, G. (2022), Fit for 55: Climate and Road Transport, cepPolicyBrief 06/2022.

[25] Regulation (EU) 2021/1119 establishing the framework for achieving climate neutrality ("European Climate Law"); see Menner, M. / Reichert, G. (2020), European Climate Law, cepPolicyBrief 03/2020.

[26] Regulation (EU) 2023/851, recital 7.

[27] See, e.g., Posaner, J. (2023, Brussels and Berlin strike deal on 2035 combustion-engine ban, Politico of 25 March 2023,

[28] Regulation (EU) 2023/851, recital 11.

Executive Vice-Presidents and Commissioners Involved

- Executive Vice-President for Cohesion and Reforms (gives guidance)
- **Commissioner for Transport and Tourism** (prepares legislative proposals)

Background

If the roll-out of charging infrastructure keeps lacking behind the sales of electric vehicles (EVs) in the EU, the adoption of electric cars and vans will be mainly limited to drivers who have the opportunity for charging their vehicle at home and/or who have limited range needs. The charging infrastructure is a key enabling condition for the uptake of EVs. Therefore, the EU must ensure that the roll-out of infrastructure precedes and keeps pace with market demand, especially in Member States with high transit flows. To this end, the electricity grid must be upgraded appropriately, since this is a big bottleneck for the roll-out of fast-chargers, as highlighted by the Draghi Report.29 Furthermore, measures to make the charging-infrastructure more user-friendly – e.g., by simplifying charging fees and payment means – will support the transition towards more e-mobility.

3.2 Energy

3.2.1 Action Plan for Affordable Energy Prices

Task

Put forward an **Action Plan for Affordable Energy Prices** as part of the **Clean Industrial Deal** to help bring down prices for households and businesses and support industries and companies through the transition.

Executive Vice-Presidents and Commissioners Involved

- Executive Vice-President for Clean, Just and Competitive Transition (gives guidance)
- **Commissioner for Energy and Housing** (prepares strategy)
- Commissioner for Climate, Net Zero and Clean Growth (supports)

Background

Energy prices in Europe are higher than in most other major economies. Despite the rapid crisis interventions of the EU and its Member States after the sudden surge of energy prices following the Russian invasion of the Ukraine in 2022, it is unlikely that they will return to their pre-crisis level. On the one hand, the dependence on imports of fossil fuels cannot be ended in the short term, on the other hand the transition to a decarbonised energy system requires significant investments. High costs on domestic and imported energy are financial burden for private households and companies, weaken the international competitiveness of the European economy and reduce private and public budgets needed to finance the transformation. In the coming years, measures both on the EU and national level are urgently needed that reconcile the targets of providing secure and clean as well as affordable energy.

[29] Draghi, M. (2024), The Future of European Competitiveness – Part B: In-depth analysis and recommendations, pp. 150 et seq.

3.2.2 Security of Energy Supply

Task

Review the security of energy supply framework to adapt it to **geopolitical developments** and the **electrification of the EU's energy system**, taking into account emerging risks, such as climate change impacts, cyber-attacks and critical infrastructure.

Executive Vice-Presidents and Commissioners Involved

- Executive Vice-President for Clean, Just and Competitive Transition (gives guidance)
- **Commissioner for Energy and Housing** (prepares legislative proposals)

Background

In recent years, several events brought energy security back at the top of the EU's political agenda: Firstly, the 2022/2023 energy crisis caused by Russia's military invasion of Ukraine, secondly the REPowerEU plan to phase out the EU's dependence on Russian energy imports [see cep**Input** 04/2022], and thirdly further developments regarding geopolitics (e.g., the conflict in the Middle East; economic competition with other major economies like China) and climate change (e.g., more frequent extreme weather events which have a negative impact on the energy system).

Key instruments of the EU's legislative framework for securing energy supplies are the Gas Security of Supply Regulation (EU) 2017/1938 and the Electricity Risk Preparedness Regulation (EU) 2019/941. Furthermore, since 2022 the REPowerEU Plan and the temporary emergency regulations based on Article 122(1) TFEU during the energy crisis addressed certain shortcomings in this respect. At the moment, the Commission is evaluating the effectiveness, efficiency, coherence, and EU added value of these regulations. In particular, the assessment looks into the performance of the EU's energy security framework during the energy crisis as well as its ability to support the transition towards a decarbonised energy system. In this respect, the evaluation takes into account opportunities and challenges in connection with the decarbonisation and electrification of the energy system, such as more distributed and decentralised energy production, increased concentration of energy generation on more intermittent energy sources, more cross-sectoral and cross-border integration, and increased vulnerability of critical energy infrastructure to natural disasters or sabotage.

3.3 Environment, Water Resilience and a Competitive Circular Economy

3.3.1 Chemicals Industry Package: REACH and PFAS

Task

Work on the **chemicals industry package**, aiming at competitiveness of the chemicals industry, the simplification of the **REACH Regulation** and clarification on the **"forever chemicals" PFAS**.

Executive Vice-Presidents and Commissioners Involved

- Executive Vice-President for Prosperity and Industrial Strategy (gives guidance)
- **Commissioner for Environment, Water Resilience and a Competitive Circular Economy** (prepares legislative proposals)

Background

The EU's chemicals policy aims at the protection of human health, the environment, and the functioning of the internal market. It regulates the entire life cycle of chemicals, covering production by the chemical industry as well as downstream industries that use chemicals. Its main legislative instrument is the Regulation concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals [(EC) No. 1907/2006 (REACH Regulation)], which obliges industry to collect information on the safety of chemicals, to develop and implement risk management measures, and to pass on the information to users of the chemicals and the European Chemicals Agency.

While the outgoing Commission originally intended a major revision of REACH, it finally decided to postpone such a legislative proposal in the run-up to the 2024 elections to the European Parliament. Already in 2020, the Commission sketched out potential features of such a revision in its "Chemicals Strategy for Sustainability Towards a Toxic-Free Environment" [Communication COM(2020) 667]. Accordingly, chemicals should be designed in such a way that they are inherently safe ("safe-by-design"). This should minimise both the quantity of chemicals used and their detrimental properties right from the development stage. Given that the production of chemicals is energy- and resource-intensive and potentially harmful to the environment, they should also be "sustainable by design", meaning that their "environmental footprint" over the entire life cycle should be minimised. To this end, the Commission planned to develop criteria for inherently safe and sustainable chemicals.

3.3.2 European Water Resilience Strategy

Task

Work on the **European Water Resilience Strategy** to strengthen **water security** in Europe. The strategy will address water efficiency, scarcity, pollution and water-related risks.

Executive Vice-Presidents and Commissioners Involved

- Executive Vice-President for Clean, Just and Competitive Transition (gives guidance)
- **Commissioner for Environment, Water Resilience and a Competitive Circular Economy** (prepares legislative proposals)

Background

In its Report "Europe's state of water 2024: the need for improved water resilience" of October 2024[30], the European Environment Agency (EEA) concluded that major pressures challenging Europe's water resilience include pollution, changes to physical features and natural flow of rivers, and abstraction of water. In addition, climate change is a further critical pressure expected to compromise Europe's future water security. Ensuring a balance between competing demands for water is a key challenge for Europe. According to the EEA, urgent action is required to improve water resilience and ensure a secure, sustainable supply of freshwater for humans and the environment.

While the already outgoing Commission had originally intended to publish a "Water Resilience Strategy", it finally decided to postpone this initiative in the run-up to the 2024 elections to the European

[30] European Environment Agency – EEA (2024), Europe's state of water 2024: the need for improved water resilience.

Parliament. In June 2024, the European Council included the aim of strengthening water resilience across the EU and the intention to invest in ample cross-border water infrastructure in its Strategic Agenda 2024-2029.[31] In July 2024, Ursula von der Leyen[32] highlighted the need for strengthening Europe's water security and for a new European Water Resilience Strategy to ensure sources are properly managed and water scarcity is addressed. As a consequence, the EU's complex legal framework of legal acts on the protection and management of both domestic and transboundary freshwater resources in general and the Water Framework Directive [2000/60/EC] as its cornerstone in particular[33] could be fundamentally adapted and revised in the upcoming EU legislative cycle.

[31] European Council (2024), Strategic Agenda 2024-2029, p. 7.
[32] European Commission (2024), Political Guidelines for the next European Commission 2024-2029, p. 22.
[33] See, e.g., Reichert, G. (2016), Transboundary Water Cooperation in Europe: A Successful Multidimensional Regime?, Brill Research Perspectives in International Water Law, 1(1), pp. 1-111, https://doi.org/10.1163.

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