
/ EU Policy Brief

28 Jan - 11 Feb 2022

Headlines

Commission agrees on Complementary Delegated Act on natural gas and nuclear ([read more](#))

On 2 February, the European Commission reached a political agreement on the controversial Complementary Delegated Act covering gas and nuclear activities:

- The Commission maintains the technical screening criteria for “High-efficiency co-generation of heat/cool and power from fossil gaseous fuels”: the life-cycle GHG emissions lower than 100g CO₂e/kWh of energy output or for facilities for which the construction permit is granted by 31 December 2030, among others, the threshold of 270g CO₂e/kWh of the output energy.
- The Do no significant harm (‘DNSH’) criteria is also set at a level lower than 270g CO₂e/kWh.

To be rejected in the Council, a qualified majority of at least 20 countries representing 65% of the EU population is needed. The Parliament can vote it down with an absolute majority of 353 votes.

Next steps: The text can be formally adopted once it is translated into all EU languages. Once formally adopted, the Act will be sent to the European Parliament and Council for their four-to-six-month [scrutiny](#) period. In January 2023, the Complementary Delegated Act is expected to be applicable.

Policy news

Climate and Energy

Public consultation on the certification of carbon removals. [Read more](#), 7 Feb

In a nutshell: The European Commission launched a questionnaire which results will feed into the drafting of the proposal. There are questions concerning the possible scope, functions and methodology of the carbon removal certification. This initiative will propose EU rules on certifying carbon removals with the aim of expanding sustainable carbon removals and encourage the use of innovative solutions to capture, recycle and store CO₂ by farmers, foresters and industries.

Next steps: The deadline for responding to the public consultation is 2 May. The Commission is expected to present its proposal on carbon removals certification on the last quarter of the year.

EU reviewing contingency plans for gas supply disruptions. [Read more](#), 3 Feb

In a nutshell: The European Union is reviewing contingency plans for disruptions to gas supply, although countries' storage and infrastructure should buffer against major shocks. "It is important that all member states work on preparedness and review contingency plans to ensure they are fit for purpose," Commissioner for Energy Kadri Simson told the European Parliament's energy committee. "The commission is conducting an assessment of the situation at European level in liaison with member states."

Next steps: Commissioner Simson said the results of the review were due later this month.

Environment, Forestry

ENVI's rapporteur MEP Christophe Hansen on its deforestation report. [Read more](#), 7 Feb

In a nutshell: The French Council of the EU presidency wants to move fast on the proposal to prevent imports of products linked to deforestation and hopes to adopt a common position among member states by March. In an interview with POLITICO, the European Parliament's rapporteur on the file, Christophe Hansen (LU/EPP) argued that this would be counterproductive, especially since it is such an important file, noting that the timeline cannot be squeezed. The Commission proposed that the legislation target recent deforestation, meaning only covering products produced on land that was deforested or degraded after 31 December 2021. In a past [resolution](#), the Parliament asked for a cut-off date no later than 2015. Hansen said he is open to discussing amendments on this point and would also plan to look at the implementation of the future regulation to avoid loopholes where a product "comes in from a different destination and we are not able to properly control it." He added he has "doubts" about national customs authorities "working with the same rigor" across the EU. That's why he wants the Commission to "verify and monitor if the requirements are properly implemented."

Next steps: Hansen expects his report will be ready by 15 March. The draft text will then be presented in the environment committee on 20 April and voted upon on 11 July. A plenary vote is foreseen in September.

Sustainability, Circular Economy

Commission considering setting delegated acts for the upcoming sustainability legislation.

[Watch more](#), 3 Feb

In a nutshell: The European Commission plans to use delegated acts under the upcoming Sustainable Products Initiative to set new sustainability requirements for products — something that’s worrying members of the European Parliament and industry, Joaquim Nunes de Almeida, director of the Commission’s internal market department said during an event organized by the Swedish Forest Industries Federation. Delegated acts drafted by the Commission aim to clarify and detail existing legislation and cannot be amended by the European Parliament or member countries — which can only reject or accept them. “The priority for me is that we cannot set the detailed rules without recognizing the differences between products and sectors and therefore it is important to have a say from the Parliament on this,” MEP Jessica Polfjärd (SE/EPP) argued.

Next steps: The European Commission is expected to present its Sustainable Products Initiative on 30 March.

European Investment Bank (EIB)’s new green policy. [Read more](#), 2 Feb

In a nutshell: The EIB has adopted a new Environmental and Social Sustainability Framework, which aims to drive the bank’s contribution to the EU’s Green Deal goals. The final draft document, which has been subject to a public consultation, says the bank will finance operations “that respect human rights, do not cause significant harm to the environment and are consistent with internationally agreed targets to fight against climate change and biodiversity loss.” It adds that the EIB will “mainstream environmental, climate and social considerations into its decision-making processes” and align “all its financing with the principles and goals of the Paris Climate Agreement.” It also lays down how the EIB is going to perform due diligence on investment projects and check their alignment with the EU taxonomy of green activities when relevant.

Next steps: The ESSF will apply to new projects as of 1 March 2022.

EU countries on Packaging and Packaging Waste Directive (PPWD). [Read more](#), 31 Jan

In a nutshell: Austria, Denmark, Luxembourg, the Netherlands and Sweden want the European Commission to introduce “mandatory re-use targets for specific product groups” in its upcoming revamp of EU sustainable packaging rules. The aim is to ensure that “all packaging on the EU market is reusable or recyclable in an economically viable way by 2030,” the countries said in letter and attached policy proposals sent to Commission Executive Vice President Frans Timmermans and Environment Commissioner Virginijus Sinkevičius.

Next steps: The review of the Packaging and Packaging Waste Directive is planned for 20 July.

Industry, Trade

Lead MEP wants no exemptions from EU carbon border levy. [Watch more](#), 2 Feb

In a nutshell: MEP Mohammed Chahim (NL/S&D) said that the EU’s trading partners shouldn’t receive an exemption from a planned carbon border levy at the bloc’s border other than explicit carbon pricing. “Trade partners cannot, and I repeat, cannot be exempt on the ground of implicit carbon cost, non-pricing measures,” Chahim said at the Environment Committee of the European Parliament, presenting his [report](#). Chahim’s proposed pace of phase-out of free

allowances — in under half the time as proposed by the Commission — is another controversial point that received pushback from the conservative European People's Party.

Upcoming EU policy events

- Turn the Page final conference: Recruitment strategies to attract young talents in the paper industry, Capi and IndustriAll European Trade Union, 15 February. [Register](#).
- Developing a new EU framework on deforestation-free supply chains, Cepinar, 24 February. [Register](#).
- 2022 Circular Economy Stakeholder Conference, European Commission, 1 & 2 March. [More information](#).
- Fit for 55: How to stay competitive in the global market? Capi, 15 March. More information soon.