

Portuguese environmental policies and the European Green Deal – Overview and current status

Tiago Picão de Abreu

Associate Lawyer, Antas da Cunha ECIJA, Lisbon (Portugal)

COVID-19 has affected and jeopardized the environmental and economic objectives of the European Green Deal, which should have initiated its first concrete actions on 2020. However, the suspension or delay of some of these key actions has not prevented some EU Member States of adopting environmental commitments towards similar objectives.

It is our intention in this paper to give a brief overview on the environmental and economic public strategy which is currently being implemented in Portugal and to evaluate the impacts of COVID-19 on the actions and targets established by the European Union for the next years.

In Portugal, several measures were already underway even before the UE Communication that set out a European Green Deal for the European Union (EU) and its citizens¹. In fact, in 2019, two fundamental documents were approved by the Council of Ministers in accordance with the Green Deal: in June, the Roadmap for Carbon Neutrality 2050 (RNC 2050)², and in December the National Energy and Climate Plan (PNEC 2030)³ with concrete targets for 2030 aligned with carbon neutrality for 2050.

The PNEC's mission was *“to promote the decarbonisation of the economy and the energy transition aiming at carbon neutrality in 2050, as an opportunity for the country, based on a democratic and fair model of territorial cohesion that promotes the generation of wealth and efficient use of resources”*.

To fulfill this mission, the PNEC identified 10 objectives:

1. Decarbonize the national economy
2. Give priority to energy efficiency
3. Reinforce the commitment to renewable energies and reduce energy dependence
4. Ensure security of supply
5. Promote sustainable mobility
6. Promote sustainable agriculture and forestry and enhance carbon sequestration
7. Develop an innovative and competitive industry
8. Ensure a fair, democratic and cohesive transition

¹ COM/2019/640 final - Communication from the Commission to the European Parliament, the European Council, the Council, the European economic and social committee and the Committee of the regions *The European Green Deal*.

² Resolution of the Council of Ministers No. 107/2019 - Approval of the Roadmap for Carbon Neutrality 2050 (RNC 2050) (https://descarbonizar2050.apambiente.pt/uploads/RCM_107_2019.pdf).

³ Resolution of the Council of Ministers No. 53/2020 – Approval of the National Energy and Climate Plan (PNEC 2030) (https://apambiente.pt/_zdata/Alteracoes_Climaticas/Mitigacao/PNEC/PNEC%20PT_Template%20Final%202019%2030122019.pdf).

It also established a set of targets for 2030:

- Reduce greenhouse gas (GHG) emissions between 45% and 55% (already in line with the European Commission's new 55% ambition)
- 47% of renewable energy sources in gross final energy consumption
- 35% energy efficiency target
- 20% renewable energy in final energy consumption in Transport
- Lower energy dependence to 65%
- On a sectorial level, the goals for reducing CO₂ emissions are: services by 70%; residential by 35%; transport by 40%; agriculture by 11%; and 30% in waste and wastewater (when compared to 2005)

In terms of the RNC, the ambition for 2050 is to achieve an economic model based on renewable energies and the circularity of resources, with the following ambitions:

1. Reduce more than 85% of GHG emissions compared to 2005
2. 13 megaton ton annual CO₂ forest sequestration capacity
3. 100% of the electricity produced from renewable sources
4. Only about 20% energy dependence from abroad
5. 100% of light vehicles with zero emissions
6. Tax policy that encourages decarbonization and circularity
7. Having private financing for decarbonisation and circularity incorporated in the financial system

To achieve carbon neutrality in 2050 in Portugal, the RNC 2050 identifies a potential reduction, compared to 2005, between 96% to 100%, in total GHG emissions, which can be broken down into sectorial reduction ambitions, namely:

- In the energy sector, a 96% reduction in GHG emissions
- In the industrial sector, a 72-73% reduction in GHG emissions
- In the buildings and other sectors, a reduction of 85-86% in GHG emissions
- In the transport sector, a 98% reduction in GHG emissions
- In the agriculture sector, a 38-60% reduction in GHG emissions
- In the waste sector, a 77-80% reduction in GHG emissions

It is thus clear that there is total alignment in terms of the vision, objectives and decarbonisation goals between Portugal and the European Commission. According to the very recent EU Climate Action Progress Report⁴, published by the European Commission on 30 November 2020, Portugal is the country of the European Union closest to reaching its climate targets for reducing emissions by 2030, when compared to 2005 levels. In the same report, it is predicted that, with the current measures, Portugal will exceed on 23% the target set by the European Commission for 2030 (a 17% reduction in GHG emissions compared to 2005 levels), reaching a 40% decline in emissions. And if the additional

⁴ https://ec.europa.eu/clima/sites/clima/files/strategies/progress/docs/com_2020_777_en.pdf.

measures provided for in the PNEC are introduced, the Commission expects that this reduction on Portugal will be about 47%.

In November 2019, the European Commission announced its growth strategy based on combating climate change and promoting a green economy, with the Green Deal bringing the environment to the centre of Europe's development policy, and assuming Europe's ambition to be carbon neutral in 2050.

However, COVID-19 came in a sudden way to freeze our economic activity and create a new paradigm of lifestyle that our technological society still does not know how to deal with. This was not just a mere crisis, nor could be compared with any previous one knowable to mankind in modern times. Its human, economic and social impacts may be rightly compared to the consequences of a war, but with two major differences: this kind of war has never happened before and, therefore, no one knew how to respond to a threat of this nature.

Looking at the Roadmap – Key Actions⁵ projected for this year of 2020, we can conclude that the implementation of some of the following measures was forcibly postponed or is still only in a legislative publication stage:

Actions	Indicative Timetable	Current Status on 2020 Actions
Climate ambition		
Proposal on a European 'Climate Law' enshrining the 2050 climate neutrality objective	March 2020	The legislative proposal ⁶ was submitted to the European Parliament, the Council, the Economic and Social Committee and the Committee of the Regions for further consideration under the ordinary legislative procedure.

⁵ Annex to the communication from the Commission to the European Parliament, the European Council, the Council, the European Economic and Social Committee and the Committee of the Regions – “*The European Green Deal*”, available at https://eur-lex.europa.eu/resource.html?uri=cellar:b828d165-1c22-11ea-8c1f-01aa75ed71a1.0002.02/DOC_2&format=PDF.

⁶ Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL establishing the framework for achieving climate neutrality and amending Regulation (EU) 2018/1999 (European Climate Law), published on 4 March 2020 (available at <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52020PC0080>) and amended on 17 September 2020 to include a new EU greenhouse gas emission reduction target for 2030, from 50% to 55% (<https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52020PC0563>).

Actions	Indicative Timetable	Current Status on 2020 Actions
Comprehensive plan to increase the EU 2030 climate target to at least 50% and towards 55% in a responsible way	Summer 2020	Pending
Proposals for revisions of relevant legislative measures to deliver on the increased climate ambition, following the review of Emissions Trading System Directive; Effort Sharing Regulation; Land use, land use change and forestry Regulation; Energy Efficiency Directive; Renewable Energy Directive; CO ₂ emissions performance standards for cars and vans	June 2021	Pending
Proposal for a revision of the Energy Taxation Directive	June 2021	Pending
Proposal for a carbon border adjustment mechanism for selected sectors	2021	Pending
New EU Strategy on Adaptation to Climate Change	2020/2021	Commission adoption planned for first quarter 2021 ⁷
Clean, affordable and secure energy		
Assessment of the final National Energy and Climate Plans	June 2020	Pending ⁸
Strategy for smart sector integration	2020	<i>“Powering a climate-neutral economy: An EU Strategy for Energy System Integration” published on 7 July 2020.⁹</i>
‘Renovation wave’ initiative for the building sector	2020	The Commission published on 14 October 2020 a new strategy to boost renovation called <i>“A Renovation Wave for Europe – Greening our buildings,</i>

⁷ <https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/12381-EU-Strategy-on-Adaptation-to-Climate-Change>.

⁸ On 17 September 2020, the Commission published a detailed EU-wide assessment of the final National Energy and Climate Plans (<https://eur-lex.europa.eu/legal-content/EN/TXT/?qid=1600339518571&uri=COM%3A2020%3A564%3AFIN>). As a follow-up, and as part of the 2020 energy union report, the Commission published individual assessments of each of the national plans for further guidance, together with a short summary in English. Until now, the UK has not complied with its obligation to submit a national energy and climate plan, as required under Withdrawal Agreement between UK and the EU.

⁹ <https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/12383-Strategy-for-smart-sector-integration>.

Actions	Indicative Timetable	Current Status on 2020 Actions
		<i>creating jobs, improving lives”</i> . ¹⁰
Evaluation and review of the Trans-European Network – Energy Regulation	2020	The revised TEN-E guidelines will be presented in December 2020. ¹¹
Strategy on offshore wind	2020	The Commission published on 19 November 2020 a dedicated EU strategy on offshore renewable energy. ¹²
Industrial strategy for a clean and circular economy		
EU Industrial strategy	March 2020	The Commission published on 10 March 2020 a New Industrial Strategy for Europe. ¹³
Circular Economy Action Plan, including a sustainable products initiative and particular focus on resource intense sectors such as textiles, construction, electronics and plastics	March 2020	The Commission published on 13 March 2020 a new Circular Economy Action Plan.
Initiatives to stimulate lead markets for climate neutral and circular products in energy intensive industrial sectors	From 2020	Pending
Proposal to support zero carbon steel-making processes by 2030	2020	The Commission published on 16 July 2020 a Proposal for a Council Decision amending Decision 2008/376/EC on the adoption of the Research Programme of the Research Fund for Coal and Steel and on the multiannual

¹⁰ https://ec.europa.eu/energy/topics/energy-efficiency/energy-efficient-buildings/renovation-wave_en.

¹¹ https://ec.europa.eu/energy/topics/infrastructure/trans-european-networks-energy_en#revision-of-the-ten-e-policy.

¹² https://ec.europa.eu/energy/topics/renewable-energy/eu-strategy-offshore-renewable-energy_en.

¹³ https://ec.europa.eu/info/sites/info/files/communication-eu-industrial-strategy-march-2020_en.pdf.

Actions	Indicative Timetable	Current Status on 2020 Actions
		technical guidelines for this programme. ¹⁴
Legislation on batteries in support of the Strategic Action Plan on Batteries and the circular economy	October 2020	On 28 May 2020, the European Commission published its Inception Impact Assessment (IIA) to modernize the EU's batteries legislation, in particular Directive 2006/66/EC of 6 September 2006 on batteries and accumulators, and waste batteries and accumulators. The Commission adoption was planned for the third quarter 2020 and is still pending. ¹⁵
Propose legislative waste reforms	From 2020	Pending
Sustainable and smart mobility		
Strategy for sustainable and smart mobility	2020	The Commission adoption was planned for the fourth quarter 2020 and is still pending. ¹⁶
Funding call to support the deployment of public recharging and refuelling points as part of alternative fuel infrastructure	From 2020	Pending
Assessment of legislative options to boost the production and supply of sustainable alternative fuels for the different transport modes	From 2020	Pending
Revised proposal for a Directive on Combined Transport	2021	Pending

¹⁴ <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A52020PC0320>.

¹⁵ <https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/12399-Modernising-the-EU-s-batteries-legislation>.

¹⁶ <https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/12438-Sustainable-and-Smart-Mobility-Strategy>.

Actions	Indicative Timetable	Current Status on 2020 Actions
Review of the Alternative Fuels Infrastructure Directive and the Trans European Network – Transport Regulation	2021	Pending
Initiatives to increase and better manage the capacity of railways and inland waterways	From 2021	Pending
Proposal for more stringent air pollutant emissions standards for combustion-engine vehicles	2021	Pending
Greening the Common Agricultural Policy / ‘Farm to Fork’ Strategy		
Examination of the draft national strategic plans, with reference to the ambitions of the European Green Deal and the Farm to Fork Strategy	2020-2021	Pending
‘Farm to Fork’ Strategy Measures, including legislative, to significantly reduce the use and risk of chemical pesticides, as well as the use of fertilizers and antibiotics	Spring 2020 2021	The Commission published on 20 May 2020 a Farm to Fork Strategy for a fair, healthy and environmentally-friendly food system. ¹⁷ The legislative measures should occur between 2021 and 2024.
Preserving and protecting biodiversity		
EU Biodiversity Strategy for 2030	March 2020	The Commission published on 20 May 2020 the EU Biodiversity Strategy for 2030 – “Bringing nature back into our lives”. ¹⁸
Measures to address the main drivers of biodiversity loss	From 2021	Pending
New EU Forest Strategy	2020	On 8 October 2020, during its Plenary, the European Parliament adopted the resolution on the European Forestry

¹⁷ https://eur-lex.europa.eu/resource.html?uri=cellar:ea0f9f73-9ab2-11ea-9d2d-01aa75ed71a1.0001.02/DOC_1&format=PDF.

¹⁸ <https://eur-lex.europa.eu/legal-content/EN/TXT/?qid=1590574123338&uri=CELEX:52020DC0380>.

Actions	Indicative Timetable	Current Status on 2020 Actions
		Strategy – “ <i>The Way Forward</i> ” ¹⁹
Measures to support deforestation-free value chains	From 2020	Pending
Towards a zero-pollution ambition for a toxic free environment		
Chemicals strategy for sustainability	Summer 2020	The Commission published on 14 October 2020 the Chemicals Strategy for Sustainability – “ <i>Towards a Toxic-Free Environment</i> ”. ²⁰
Zero pollution action plan for water, air and soil	2021	Pending
Revision of measures to address pollution from large industrial installations	2021	Pending
Mainstreaming sustainability in all EU policies		
Proposal for a Just Transition Mechanism, including a Just Transition Fund, and a Sustainable Europe Investment Plan	January 2020	The Commission published on 28 May 2020 an amended proposal for establishing the Just Transition Fund ²¹ . During its 13 November 2020 plenary session, Parliament voted on an own-initiative report on how to finance the European Green Deal. ²²
Renewed sustainable finance strategy	Autumn 2020	Pending (subject to public consultation)
Review of the Non-Financial Reporting Directive	2020	Pending (subject to public consultation)

¹⁹ Provisional edition at https://www.europarl.europa.eu/doceo/document/TA-9-2020-0257_EN.html.

²⁰ <https://ec.europa.eu/environment/pdf/chemicals/2020/10/Strategy.pdf>.

²¹ <https://eur-lex.europa.eu/legal-content/EN/TXT/?qid=1592556018727&uri=CELEX:52020PC0460>.

²² Provisional edition at https://www.europarl.europa.eu/doceo/document/TA-9-2020-0305_EN.html.

Actions	Indicative Timetable	Current Status on 2020 Actions
Initiatives to screen and benchmark green budgeting practices of the Member States and of the EU	From 2020	Pending
Review of the relevant State aid guidelines, including the environment and energy State aid guidelines	2021	Pending
Align all new Commission initiatives in line with the objectives of the Green Deal and promote innovation	From 2020	Pending
Stakeholders to identify and remedy incoherent legislation that reduces the effectiveness in delivering the European Green Deal	From 2020	Pending
Integration of the Sustainable Development Goals in the European Semester	From 2020	Pending
The EU as a global leader		
EU to continue to lead the international climate and biodiversity negotiations, further strengthening the international policy framework	From 2019	Pending
Strengthen the EU's Green Deal Diplomacy in cooperation with Member States	From 2020	Pending
Bilateral efforts to induce partners to act and to ensure comparability of action and policies	From 2020	Pending
Green Agenda for the Western Balkans	From 2020	Pending (still on discussion) ²³
Working together – a European Climate Pact		
Launch of the European Climate Pact	March 2020	Commission adoption planned for the third quarter 2020. ²⁴
Proposal for an 8 th Environmental Action Programme	2020	Published a Proposal for a DECISION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on a General Union Environment Action Programme to 2030. ²⁵

²³ Commission Staff Working Document at <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A52020SC0223>.

²⁴ <https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/12219-European-Climate-Pact>.

²⁵ <https://ec.europa.eu/environment/pdf/8EAP/2020/10/8EAP-draft.pdf>.

As we can conclude, the European Commission was forced to review its 2020 work programme as a consequence of the coronavirus crisis. Some of the priorities were either reordered or postponed, but the fundamental objectives of ecological and digital transitions were maintained as the principal urgencies on the European agenda.

If in the face of the current pandemic there are some economic agents who consider that the Green Deal should be interrupted in order to focus on more important issues (such as health and the economy), we should consider if it is not precisely through the Green Deal that the current contingencies will be overcome. This is the view of the European Commission, rightly considering that it will be through the green elements of the Green Deal and through digitalization – already a fundamental issue in this phase of seclusion – that the European (and global) economic recovery shall be built. While this continues to highlight the relationship between human health and the environment, it shall also be considered sustainability as a priority. For this reason, the post-crisis recovery shall be made primarily through a green economy.