

# EUROPEAN COMMISSION PROPOSES EUROPEAN CLIMATE LAW AND TO MAKE 2021 THE EUROPEAN YEAR OF RAIL

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## **Antritrust, Policy, and Regulatory Alert**

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On 4 March 2020, the European Commission (the Commission) [launched](#) a public consultation on the future European Climate Pact and simultaneously unveiled a key element of the [European Green Deal](#), the long awaited proposal for a Regulation establishing the framework for achieving climate neutrality, the [European Climate Law](#).

The European Climate Law (the Law) aims to turn the EU's green commitments into legislation. It establishes a legal framework for the gradual reduction of greenhouse gas emissions to net zero and sets out a binding objective of EU climate neutrality by 2050, in accordance with the [Paris Agreement's goals](#).

While the EU-wide target indicates the trajectory to achieve climate neutrality, it also gives individual EU Member States some room to maneuver. As long as the overall goal is met, some countries can implement climate neutrality measures at a slower pace, provided that their delay is compensated by other EU Member States' efforts. Some Member States already expressed their willingness to reach climate neutrality before 2050.

The Law indicates the necessary steps to achieve the 2050 target. By September 2020, the Commission should review the current EU's 2030 target of 40% emission reductions compared to 1990, and explore options for a new 50 to 55% target. By 30 June 2021, the Commission shall assess how it would need to amend various policy instruments and review legislation to deliver the additional emissions reductions. Proposed legislation to be reviewed will include the European Emissions Trading System (EU-ETS) Directive, the land use, land use change and forestry (LULUCF) Regulation; the Energy Efficiency Directive, and the Renewable Energy Directive, among others.

By 30 September 2023, and every five years thereafter, the Commission will assess consistency and achievements of EU and national climate-neutrality measures. Where the Commission finds that a Member State's measures are inconsistent with the climate neutrality objective, it may issue recommendations to that Member State, which will be obliged to take them in due account or to explain the reasons not to follow the Commission's recommendations.

The legislative proposal was submitted to the European Parliament and the Council of the EU under the ordinary legislative procedure. The legislative process is potentially facing a tight schedule, if the EU wants to present a coherent agreement at the United Nations Climate Change Conference in November 2020.

Together with the Law, and in an important sectoral initiative, the Commission has proposed designating 2021 the "European Year of Rail". The proposal aims to contribute to the delivery of the European Green Deal objectives for transport. It will include a series of events and campaigns aimed at modernizing rail infrastructure and promoting alternative, more sustainable transport modes.

The abovementioned initiative is linked with the Commission's forthcoming strategy for sustainable and smart mobility, which aims to partially reduce the 75% of inland freight currently carried by road, possibly moving it to rail and inland waterways. The proposal will need to be adopted by the Parliament and the European Council.

## KEY CONTACTS



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