



Environment Council **Luxembourg, 6 October 2021**

Chair: **Andrej Vizjak**, Slovenian Minister of the Environment and Spatial Planning

European Commission representatives: Executive Vice-President of the Commission **Frans Timmermans** and Commissioner **Virginijus Sinkevičius**

Starting time: 9:30

Ministers will start the meeting with a discussion on the COP26 climate summit with the aim of approving Council conclusions on the preparations for the United Nations Framework Convention on Climate Change (UNFCCC) meeting in Glasgow. These conclusions will form the general mandate for the EU's negotiators at the meeting.

Ministers will then hold an exchange of views on the proposals presented by the Commission under the Fit for 55 package that fall under the remit of the Environment Council:

1. Revision of Directive (EU) 2003/87/EC establishing a scheme for greenhouse gas emission allowance trading to implement the ambition of the new 2030 climate target and related proposals
2. Revision of Regulation (EU) 2018/842 on binding annual greenhouse gas emission reductions by Member States from 2021 to 2030 contributing to climate action to meet commitments under the Paris Agreement
3. Revision of Regulation (EU) 2018/841 on the inclusion of greenhouse gas emissions and removals from land use, land use change and forestry in the 2030 climate and energy framework
4. Revision of Regulation (EU) 2019/631 setting CO₂ emission performance standards for new passenger cars and for new light commercial vehicles
5. Regulation establishing a Social Climate Fund

The Fit for 55 package aims to bring EU climate policies into line with the EU's objective of reaching climate neutrality by 2050 and its target to reduce net greenhouse gas emissions by at least 55% of 1990 levels by 2030.

¹ This note has been drawn up under the responsibility of the press office.

In the afternoon, at the request of Greece, Spain and Poland, supported by a number of other delegations, ministers will discuss the increase in energy prices in Europe.

Ministers will also hold an exchange of views on the Commission communication on a new forest strategy for 2030. The strategy aims to contribute to achieving the EU's biodiversity and climate objectives.

Under any other business, the Commission will inform ministers about a report on the implementation of the regulation on biocidal products and the Belgian delegation will provide information on the need for coordinated action against per- and polyfluoroalkyl substances (PFAS).

The meeting will be held in public session, with the exception of the first point on COP26.

Press conference: at the end of the meeting +/- 19:00

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[Environment Council meeting page](#)

[Press conferences and public events by video streaming](#)

[Video coverage in broadcast quality \(MPEG4\) and photo gallery](#)

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Preparations for COP26

Ministers will aim to approve Council conclusions on the preparations for the United Nations Framework Convention on Climate Change (UNFCCC) meetings (Glasgow, 31 October -12 November 2021) (COP26).

The Council conclusions will form the general mandate for the EU's negotiators at the COP26 summit.

COP26 aims to bring countries together to accelerate action towards the goals of the Paris Agreement. The Paris Agreement (PA) was adopted in 2015 at the UN Climate Change Conference (COP 21) and entered into force on 4 November 2016. It counts 197 parties to date and sets two main goals. The first goal is limiting the global average temperature increase to well below 2°C above pre-industrial levels and pursuing efforts to limit it to 1.5°C. The second goal is adapting to the unavoidable impacts of climate change while making finance flows consistent with climate-resilient development.

The main goals of COP26 are to encourage parties to come forward with ambitious Nationally Determined Contributions (NDCs) - which establish their emission reduction targets for 2030 – to discuss adaptation measures, to increase climate finance and finalise the Paris Rulebook (the detailed rules that make the Paris Agreement operational).

Among other things, parties need to agree on the details of Article 6 which lays down rules for international carbon markets, enabling parties to trade emission reductions. In addition, parties will seek to establish a common timeframe for NDCs. Discussions at global level revolve around setting a five-year or a ten-year common timeframe.

The draft Council conclusions will form the overarching mandate for the EU's negotiators at COP26 in particular by:

- calling on all parties to come forward with ambitious national targets and policies;
- pointing out that the EU and its member states are the world's leading contributor of climate finance, reconfirming the commitment to increasing the mobilisation of international climate finance and inviting other developed countries to scale up their contributions;
- recognising the need to step up adaptation efforts collectively;
- setting out the EU's position with regard to voluntary cooperation under Article 6 and a common timeframe for NDCs.

A more specific mandate for the EU's negotiators with regard to the financial aspects will be adopted in the form of Council conclusions at the Economic and Financial Affairs Council on 5 October 2021.

Fit for 55 package

Ministers will hold an exchange of views on the proposals presented by the Commission under the Fit for 55 package that fall under the remit of the Environment Council. Ministers will discuss the following proposals:

1. Revision of Directive (EU) 2003/87/EC establishing a scheme for greenhouse gas emission allowance trading to implement the ambition of the new 2030 climate target (**EU emissions trading system (ETS)**) and related proposals.

The proposal includes a comprehensive set of changes to the existing ETS that should result in an overall emission reduction in sectors under the ETS of 61% by 2030 compared with 2005. The increased ambition is to be achieved through strengthening current provisions and extending the scope of the ETS. The proposal will phase out free emission allowances for aviation and align with the global Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA). The proposal will include emissions from maritime transport in the ETS and create a new self-standing emissions trading system for buildings and road transport. In order to support the increased ambition, both the Modernisation Fund and the Innovation Fund will be strengthened in volume. In order to continue to ensure a stable and well-functioning ETS, the Market Stability Reserve will be revised.

2. Revision of Regulation (EU) 2018/842 on binding annual greenhouse gas emission reductions by Member States from 2021 to 2030 contributing to climate action to meet commitments under the Paris Agreement (**Effort Sharing Regulation (ESR)**).

The ESR sets binding annual greenhouse gas emissions targets for member states in sectors that are not covered by the ETS or the LULUCF Regulation. The main change to the current ESR concerns the level of the targets to be achieved by 2030 in the sectors covered. The proposal increases the overall emissions reduction target from 29% to 40%, compared with 2005. Consequently, the member states' contributions to that target are also increased, the required reductions ranging from 10% to 50% below 2005 levels. The calculation method for determining the national targets remains based on GDP per capita with a limited amount of targeted corrections.

3. Revision of Regulation (EU) 2018/841 on the inclusion of greenhouse gas emissions and removals from land use, land use change and forestry in the 2030 climate and energy framework (**LULUCF Regulation**).

The proposal aims to restore and grow natural carbon sinks throughout the EU. The objectives of the revision are to set simpler, more transparent and more effective compliance rules and targets, to increase removals of greenhouse gases within the EU to at least 310 million tonnes CO₂ equivalent by 2030, and to set the objective of a climate-neutral EU land sector by 2035.

4. Revision of Regulation (EU) 2019/631 setting **CO₂ emission performance standards** for new passenger cars and for new light commercial vehicles.

The proposed tightened CO₂ standards for cars and vans aim at helping Member States to reach their increased national targets while stimulating technological innovation in the sector. The proposal introduces increased EU-wide reduction targets for 2030 and sets a new target of 100% for 2035. This means in practice that from 2035 it will no longer be possible to place cars or vans with an internal combustion engine on the market in the EU.

5. Regulation establishing a **Social Climate Fund (SCF)**.

The proposal aims to address the socio-economic impacts of the proposed new emissions trading system for buildings and road transport. It allocates a total of EUR 72.2 billion to the Fund over the 2025-2032 period through an allocation methodology that aims at tackling the uneven impact of the proposed ETS extension expected across and within member states.

The Commission presented the Fit for 55 package on 14 July 2021. The package aims to bring the EU's climate and energy legislative framework into line with the objective of achieving a climate-neutral EU by 2050 and its target to reduce net greenhouse gas emissions by at least 55% of 1990 levels by 2030. The revision should also enable the EU to deliver on its international commitments under the Paris Agreement.

The package consists of a series of closely interconnected proposals either amending existing pieces of legislation or establishing new initiatives across a range of policy areas and economic sectors. Within the Council, the proposals will be dealt with in four Council formations - Environment, Energy, Transport, and Economic and Financial Affairs - with the Presidency ensuring coordination within and across policy areas.

In addition to the proposals discussed in the Environment Council, the package includes:

- A Carbon Border Adjustment Mechanism (CBAM) and a Revision of the Energy Tax Directive that will be dealt with in the Economic and Financial Affairs Council.
- An amendment to the Renewable Energy Directive and an amendment to the Energy Efficiency Directive that will be dealt with in the Energy Council. In addition, initiatives on methane, energy-performance of buildings and EU gas legislation are expected towards the end of 2021.
- A revision of the Directive on the deployment of alternative fuels infrastructure, ReFuelEU Aviation and FuelEU Maritime that will be dealt with in the Transport Council.

Against this backdrop the exchange of views will focus on the balance and interlinkages between the various proposals, as well as on their contribution to the EU's increased climate ambition. The debate will be structured around two questions prepared by the Presidency:

1. In view of the fact that the five climate-related initiatives referred to above form part of the overall 'Fit for 55' package and are closely interlinked, do these initiatives represent a balanced policy mix that ensures the delivery of the required emissions reductions in a cost-effective manner as well as fair burden sharing between economic sectors, member states and citizens?
2. More specifically, do these initiatives, including the proposed new emissions trading system for road transport and buildings, provide the appropriate synergies and incentives for achieving the required ambition both at EU level and at national level? In this regard, how do you see individual proposals contributing to the increased ambition as enshrined in the European Climate Law?

[Commission proposal on the revision of the EU Emissions trading system \(ETS\)](#)

[Commission proposal on the revision of the Effort Sharing Regulation \(ESR\)](#)

[Commission proposal on the revision of the LULUCF Regulation](#)

[Commission proposal on the revision of Regulation \(EU\) 2019/631 setting CO₂ emission performance standards for new passenger cars and for new light commercial vehicles](#)

[Commission proposal for a Regulation establishing a Social Climate Fund](#)

[Presidency background paper for the exchange of views](#)

[Fit for 55 \(background information\)](#)

EU Forest strategy for 2030

Ministers will also hold an exchange of views on the Commission communication on a new forest strategy for 2030.

The new forest strategy was presented by the Commission on 16 July 2021. It is one of the flagship initiatives of the European Green Deal and builds on the EU biodiversity strategy for 2030. It aims to contribute to achieving the EU's biodiversity objectives, its greenhouse gas emission reduction target of at least 55% by 2030, and its climate neutrality objective by 2050.

The new EU forest strategy supports the socio-economic functions of forests for thriving rural areas and boosting the forest-based bioeconomy within sustainability boundaries. It also aims to protect, restore and enlarge the EU's forests to combat climate change, reverse biodiversity loss and ensure resilient and multifunctional forest ecosystems by:

- promoting the sustainable forest bioeconomy for long-lived wood products;
- ensuring the sustainable use of wood-based resources for bioenergy;
- promoting the non-wood forest-based bioeconomy, including ecotourism;
- developing skills and empowering people in relation to a sustainable forest-based bioeconomy;
- protecting the EU's last remaining primary and old-growth forests;
- ensuring forest restoration and reinforced sustainable forest management;
- re- and afforestation of biodiverse forests, including planting 3 billion trees by 2030;
- providing financial incentives for forest owners and managers to improve the quantity and quality of EU forests.

The strategy is based on two forthcoming legislative proposals on ecosystem restoration and on EU forest observation, reporting and data collection, in addition to many other implementation measures.

In order to steer the discussions, the Presidency has prepared a background note with two questions for the ministers:

1. Does the New EU Forest Strategy for 2030 appropriately reflect the Council Conclusions on the EU Biodiversity Strategy, stressing the importance of healthy and resilient forest ecosystems that fulfil multiple functions, and the importance of protecting the remaining primary and old-growth forests?
2. Does the New EU Forest Strategy for 2030 provide a good basis for the EU to lead globally by positive example on sustainable forest management that contributes to climate and biodiversity objectives and to a stable forest-based bioeconomy?

The New Forest Strategy falls under the remit of the Agriculture and Fisheries Council where ministers will hold exchanges of views and aim to adopt Council conclusions.

[Commission Communication on a New EU Forest Strategy for 2030](#)

Aarhus Regulation

The Council will adopt its position at first reading on an amendment to the Aarhus Regulation on access to information, public participation in decision-making and access to justice in environmental matters.

The Regulation sets out how the EU and its member states are to implement the international Aarhus Convention. The objective of the amendment is to ensure the EU's full compliance with the Aarhus Convention concerning the right of members of the public to request the review of non-legislative administrative acts adopted by an EU institution or body if these acts have legal and external effects and contain provisions that may contravene environmental law.

The adoption of the Council's position follows a provisional agreement reached with the European Parliament in July 2021 and is the final step of the adoption procedure.

Any other business

Increase in energy prices

At the request of Greece, Spain and Poland, supported by a number of other delegations, ministers will discuss the increase in energy prices in Europe.

[Information from Greece](#)

[Information from Spain](#)

[Information from Poland](#)

Report on implementing the biocidal products regulation

Under any other business the Commission will inform environment ministers about a report on the implementation of the Regulation on biocidal products.

Biocidal products are designed to control organisms that are harmful to human or animal health or materials. The Regulation controls their authorisation and access to the EU market.

The Commission has to submit a report on the implementation of the Regulation to the European Parliament and the Council every five years.

[Information from the Commission](#)

Per- and polyfluoroalkyl substances (PFAS)

The Belgian delegation will provide information on coordinated action against per- and polyfluoroalkyl substances (PFAS).

[Information from Belgium](#)

Conference on marine litter and plastic pollution

The German delegation, supported by the Portuguese and Swedish delegations, will inform delegations about a Ministerial Conference on Marine Litter and Plastic Pollution held in Geneva at the beginning of September.

[Information from Germany](#)
