



## **EU Elections Series**

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## **What's at Stake in the EU Elections: Climate on the Ballot**

*Megan Richards and Hannah Abdullah*

# What's at Stake in the EU Elections: Climate

By Megan Richards and Hannah Abdullah | February 7, 2024

*The European Parliament elections in 2024 will shape the political direction of the EU over the next five years and, therefore, constitute a defining moment. In this series, GMF experts discuss the impact the elections will have on EU policy in key areas, consider what can—and should—be done before the elections, and outline potential post-election scenarios. This piece examines issues related to*

The European Green Deal, [launched](#) in December 2019 just after European Commission President Ursula von der Leyen assumed office, has been a major achievement of her outgoing Commission and the European Parliament. To put the bloc on track to reach its 2030 target to lower greenhouse gas emissions by 55% from 1990 levels and reach net zero by 2050, the EU has rolled out an array of [climate and energy laws](#) that touch upon nearly every policy area. And despite [strong headwinds](#)—first the COVID-19 pandemic and then a war on Europe's border—the bloc's policymakers have stayed the course. Turning crisis into opportunity, they made green and digital innovation the guiding principles of a [post-pandemic recovery package](#), and they used their repudiation of Russian gas and oil imports to boost domestic renewable energy production, energy efficiency, and energy security.

The next EU leadership faces the challenge of moving from legislation to enforcement. Implementing the laws required to meet the 2030 climate target (currently [projected](#) to be missed) is a joint effort by EU member-state governments and industry. While the former are under domestic pressure to respond to citizens' demands, the latter must confront competition from other global players that pay lower prices for energy, fulfill less-stringent regulatory requirements, and access financing more easily.

In addition, the impact of [any conservative and right-wing party gains in upcoming elections](#)—including June's European Parliament vote—could undermine member states' obligations to raise their ambitions and to [deliver on their national energy and climate plans](#). Such parties, which polls suggest will score gains, are skeptical of the Green Deal's benefits.

In this unfavorable environment, it is critical that the Commission ensure adequate public and private funding is available to meet the investment needs of Europe's green transition. The Commission must also rapidly and effectively address countries' backsliding.

## Before June 2024: Lay the Groundwork for the Incoming EU Leadership

The ambitious legislative package of the initial Green Deal is almost ready, but one major EU climate policy debate still lies ahead. It concerns the proposal for the [EU's interim 2040 climate target](#), which the Commission presented on February 6. The proposal recommends a 90% cut in greenhouse gas emissions from 1990 levels by further [boosting low-carbon energy solutions and greater investments in carbon removal technology to target "hard-to-abate" industrial sectors](#). The European Parliament and member states will now debate it, but passage through the full legislative process before the elections in June is unlikely. The composition of the new Parliament and its political groups' energy priorities will wield influence over the actual final emissions-reduction goal.

## Scenarios and Risks: What Happens After the Elections?

The EU needs to move forward in five areas.

**Ensuring a just transition:** A successful Green Deal implementation depends on more [support for vulnerable groups who will bear the greatest cost of the transition to a clean economy](#). However, the [Social Climate Fund](#), the EU's first-ever financial reserve to tackle energy and mobility poverty, the inability of households to cover heating and transportation costs, is [too small to make a real difference](#). To avoid excluding disadvantaged communities and stoking more social backlash, the next Commission and Parliament must develop instruments that channel the green transition's benefits to all. The US Inflation Reduction Act (IRA) includes [climate justice provisions](#) that may provide a model for this. EU policymakers must also add exemptions for vulnerable groups to the planned updates to the bloc's Energy Taxation Directive, which may increase levies on fossil fuels and lower those on renewable energy.

**Halting the politicization of climate change:** Populist and far-right parties across Europe have been trying to turn climate policy into a wedge issue by exploiting recent [farmers' protests against environmental policies](#) and consumer concerns about a phaseout of [gas heating systems](#). Europe is not yet seeing the same "climate culture wars" as the United States is, but the possibility that right-wing parties will make significant gains in the EU elections means the Commission must step up the fight against climate disinformation and devise more robust climate communication strategies that engage diverse groups, especially youth, rural populations, and people without college degrees.

**Keeping Europe competitive:** The EU welcomed the IRA as a sign of American commitment to addressing climate change, but the act's generous subsidies for US-built cleantech raised serious concerns about Europe's competitiveness. To dissuade Europe's green industry from relocating across the Atlantic, the Commission proposed a softening of US government support and introduced the Net Zero Industry Act (NZIA). This legislation encourages industrial policy measures to secure Europe's net-zero economy. The next EU leadership must now redesign the regulation to attract more green investment and provide industry with a more supportive and predictable environment.

**Returning to nuclear energy:** Recent energy security and emissions concerns have taken some of the wind out of the sails of the anti-nuclear lobby. In May 2023, a new "[nuclear alliance](#)", comprising 14 EU member states, Italy (as an observer), and the United Kingdom (as a guest), was formed to generate an additional 50 gigawatts of installed nuclear capacity by 2050. The [scaling of nuclear power](#) is also part of the Commission's 90% emissions-reduction proposal for the interim 2040 climate goal. To make these ambitions reality, the incoming EU executive must enable stakeholders by, for example, facilitating international collaboration and improving access to financing.

**Learning from Iceland:** Europe has been slow to emphasize and exploit the benefits of geothermal energy as Iceland does. But falling costs, consistent availability, and the relatively limited surface disruption and environmental degradation associated with this clean heat and power source make its exploitation increasingly attractive. The development of [geothermal energy](#) should help further Green Deal goals and be included in member states' climate plans, whenever possible. It is already one of eight strategic clean energy technologies [supported by the NZIA](#), and the latest revisions to the EU's Renewable Energy Directive prioritize it. The United States is also investing in geothermal power, a sign that it is a promising area for transatlantic cooperation.

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