

**REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL  
establishing the framework for achieving climate neutrality (European Climate Law)**

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

*Having regard* to the Treaty on the Functioning of the European Union, and in particular Article 192(1) and 209(1) thereof,

*Having regard* to the proposal from the European Commission,

*After transmission of the draft* legislative act to the national parliaments,

*Having regard* to the opinion of the European Economic and Social Committee,

*Having regard* to the opinion of the Committee of the Regions,

*Acting in accordance* with the ordinary legislative procedure,

HAVE ADOPTED THIS REGULATION:

## *Article 1*

### **Subject matter and scope**

This Regulation establishes a framework for the irreversible and gradual reduction of anthropogenic greenhouse gas emissions by sources and enhancement of removals by negative emission technologies in the Union.

This Regulation sets out a binding objective of climate neutrality in the Union by 2050 in pursuit of the long-term temperature goal set out in Article 2 of the Paris Agreement, and provides a framework for achieving progress in pursuit of the global adaptation goal established in Article 7 of the Paris Agreement.

It also sets out a binding net greenhouse gas emission reduction target of the European Union for 2030.

This Regulation applies to anthropogenic emissions by sources and removals by other negative emission technologies of the greenhouse gases listed in Part 2 of Annex V to Regulation (EU) 2018/1999.

## Article 2

### Climate-neutrality objective

1. Union-wide emissions and removals of greenhouse gases regulated in Union law shall be balanced at the latest by 2050, thus reducing emissions to net zero by that date.
2. The EU commits itself to financially help and support Member States where needed and takes into consideration the individual circumstances of the Member States in order to achieve climate neutrality in 2050, while keeping in mind the principle of solidarity and fairness between Member States as expressed in Article 3 (a).
3. Upon reducing emissions to net zero, to be achieved by 2050 at the latest, the Member States are required to set up a framework to proactively aim for negative greenhouse gas emissions. If necessary, the European Union as a whole will financially support setting up these frameworks within the respective member states, the exact framework of the financial support to be agreed on at a later stage, but before the net zero target.
4. The relevant Union institutions and the Member States shall take the necessary measures at Union and national level respectively, to enable the collective achievement of the objectives set out in paragraph 1 and paragraph 2), taking into account the importance of promoting both fairness and solidarity among Member States, including:
  - a) the acknowledgement of previous efforts already done
  - b) the importance of promoting both fairness and solidarity among Member States;
  - c) cost-effectiveness in achieving this objective.
5. The relevant Union institutions and Member States shall take the necessary measures at Union and national level respectively to protect and preserve all remaining natural carbon sinks like wetlands, forests and bogs while allowing a sustainable usage of such carbon sinks.



6. When taking necessary measures, the respective Member States in cooperation with the EU institutions are to monitor and to take into account that the current origins of the emissions are not be transferred beyond the borders of the EU to avoid not fulfilling the regulations of the European Union.

### Article 3

#### **Intermediate climate targets**

1. In order to reach the climate-neutrality objective set out in Article 2(1), the binding Union 2030 climate target shall be a reduction of net greenhouse gas emissions (emissions after deduction of removals) by at least 55% compared to 1990 levels by 2030 to be achieved by all Member States respectively.

2. By 30 June 2021, the Commission shall review relevant Union legislation in order to enable the achievement of the target set out in paragraph 1 of this Article and the climate neutrality objective set out in Article 2(1) and consider taking the necessary measures, including the adoption of legislative proposals, in accordance with the Treaties.

Within the framework of this and future reviews, the Commission shall assess in particular the availability under Union law of adequate instruments and incentives for mobilising the investments needed, and propose measures as necessary.

3. With a view to achieving the climate neutrality objective as set out in Article 2 (1), a Union- wide climate target for 2040 shall be set. To this end, at the latest within six months after the first global stocktake as referred to in Article 14 of the Paris Agreement (to be complete in 2023), the Commission shall make a proposal, as appropriate, to amend this Regulation to include the Union's 2040 climate target, taking into account the findings of the assessments referred to in Articles 5 and 6 and the outcomes of the global stocktake. The Union 2040 climate target proposed by the Commission shall be a reduction of net greenhouse gas emissions of at least 80 % compared to 1990 levels by 2040. When proposing the Union's climate target for 2040 in accordance with paragraph 3, the Commission shall consider the following:

- (a) fairness and solidarity between and within Member States;
- (b) competitiveness of the Union's economy;

- (c) best available technology regarding, especially:
  - (i) urban planning,
  - (ii) the agricultural sector,
  - (iii) renewable resources;
  - (iv) preservation of nature;
- (d) energy efficiency, energy affordability and security of supply;
- (e) cost-effectiveness and economic efficiency;
- (f) the need to ensure environmental effectiveness and progression over time;
- (g) investment needs and opportunities;
- (h) the need to ensure a just and socially fair transition;
- (i) international developments and efforts undertaken to achieve the long-term objectives of the Paris Agreement and the ultimate objective of the United Nations Framework Convention on Climate Change;
- (j) the best available and most recent scientific evidence, including the latest reports of the IPCC.

5. The provisions of this Article shall be kept under review in the light of international developments and efforts undertaken to achieve the long-term objectives of the Paris Agreement, including with regard to the outcomes of international discussions on common time frames for nationally determined contributions. Those provisions should apply only in the



case of positive international developments and efforts, in order to avoid raising the determined time frames.

*Article 4*

**Adaptation to climate change**

1. The relevant Union institutions and the Member States shall ensure continuous progress in enhancing adaptive capacity, strengthening resilience and reducing vulnerability to climate change in accordance with Article 7 of the Paris Agreement.
  
2. The relevant Union institutions and the Member States shall also ensure that policies on adaptation in the Union and in the Member States are mutually supportive, provide co-benefits for sectoral policies, and work towards better integration of adaptation to climate change into all policy areas.
  
3. Member States shall develop and implement adaptation strategies and plans that include comprehensive risk management frameworks, based on robust climate and vulnerability baselines and progress assessments.
  
4. The relevant Union institutions shall put in place a focal point that grants Member States the possibility to exchange strategies.

## Article 5

### Assessment of Union progress and measures

1. By 30 September 2023, and every 2,5 years thereafter, the Commission shall review:
  - (a) the consistency of Union measures with the climate-neutrality objective set out in Article 2(1);
  - (b) the consistency of Union measures with ensuring progress on adaptation as referred to in Article 4.
  
2. Where, based on the assessment referred to in paragraphs 1 and 2, the Commission finds that Union measures are inconsistent with the climate-neutrality objective set out in Article 2(1) or inconsistent with ensuring progress on adaptation as referred to in Article 4, or that the progress towards either the climate-neutrality objective or on adaptation as referred to in Article 4 is insufficient, it shall take the necessary measures in accordance with the Treaties.
  
3. The Commission shall assess any draft measure or legislative proposal in light of the climate- neutrality objective set out in Article 2(1) before adoption, and include this analysis in any impact assessment accompanying these measures or proposals, and make the result of that assessment public at the time of adoption. The Commission shall also assess whether that draft measure or legislative proposal is consistent with ensuring progress on adaptation as referred to in Article 4.

## Article 6

### **Member State climate advisory bodies and European Climate Change Council**

1. By 30 June 2021, all Member States shall notify the Commission of their national independent climate advisory body, responsible for providing scientific expert advice on national climate policy. If no such body exists, Member States shall be encouraged to establish such a body.
2. By 30 June 2022, the Commission shall, in cooperation with these national climate advisory bodies, set up the European Climate Change Council (ECCC), as a permanent, independent, inter-disciplinary scientific advisory panel on climate change. In order to avoid any duplication of work, the EEA shall serve as secretariat of the ECCC, while preserving the budgetary and administrative independence of the ECCC.
3. Members of the ECCC shall serve for a term of five years, renewable once. The ECCC shall be composed of a scientific committee of 27 senior experts, issued from each Members States ensuring a full range of expertise.
4. The activities of the scientific committee shall include:
  - (a) assessing the consistency of existing and proposed Union trajectories, greenhouse gas budget and climate targets against the Union's and international climate commitments;
  - (b) assessing the likelihood of staying within the Union greenhouse gas budget and achieving climate neutrality under existing and planned measures;
  - (c) assessing the consistency of Union measures to reduce greenhouse gas emissions with the objectives set out in Article 2;
  - (d) identifying actions and opportunities to reduce greenhouse gas emissions and increase the carbon sequestration potential; and

(e) identifying consequences of inaction or insufficient action.

5. In carrying out the activities referred to in paragraph 4, the ECCC shall ensure the proper consultation of the national independent climate advisory bodies.

6. The ECCC shall, on an annual basis, report its findings under paragraph 4 to the Commission, the European Parliament and the Council. Where necessary the ECCC shall make recommendations to the Commission to ensure the achievement of the objectives of this Regulation. The ECCC shall ensure that it follows a fully transparent process and that its reports are made available to the public. The Commission shall consider the reports and any recommendations and issue a formal response to the ECCC three months after their reception, at the latest. The response to these reports and recommendations shall be made available to the public.

## Article 7

### Assessment of national measures

1. By 30 September 2023, and every 2,5 years, thereafter the Commission shall assess:
  - (a) the consistency of national measures identified, on the basis of the National Energy and Climate Plans or the Biennial Progress Reports submitted in accordance with Regulation (EU) 2018/1999, as relevant for the achievement of the climate-neutrality objective set out in Article 2(1) with that objective;
  - (b) the consistency of relevant national measures with ensuring progress on adaptation as referred to in Article 4, taking into account the national adaptation strategies referred to in Article 4(2).

The Commission shall submit the conclusions of that assessment, together with the State of the Energy Union Report prepared in the respective calendar year in accordance with Article 35 of Regulation (EU) 2018/1999, to the European Parliament and to the Council.

2. Where the Commission finds, under due consideration of the collective progress assessed in accordance with Article 5(1) and consideration of the individual circumstances of the member state, that a Member State's measures are inconsistent with the climate neutrality objective or inconsistent with ensuring progress on adaptation as referred to in Article 4, it may issue recommendations to that Member State. The Commission shall make such recommendations publicly available.
3. Where a recommendation is issued in accordance with paragraph 2, the following principles shall apply:
  - (a) the Member State concerned shall take due account of the recommendation in a spirit of solidarity between Member States and the Union and between Member States;



(b) the Member State concerned shall set out, in its first progress report submitted in accordance with Article 17 of Regulation (EU) 2018/1999, in the year following the year in which the recommendation was issued, how it has taken due account of the recommendation. If the Member State concerned decides not to address a recommendation or a substantial part thereof, that Member State shall provide the Commission its reasoning;

(c) the recommendations should be complementary to the latest country-specific recommendations issued in the context of the European Semester;

4. Article 258 and Art. 260(1) and (2) of the Treaty on the Functioning of the European Union apply.

*Article 8*

**Common provisions on Commission assessment**

1. In addition to the national measures referred to in Article 6(1)(a), the Commission shall base its assessment referred to in Articles 5 and 6 on at least the following:

- (a) information submitted and reported under Regulation (EU) 2018/1999;
- (b) reports of the European Environment Agency (EEA) and the Commission's Joint Research Centre (JRC);
- (c) European statistics and data, including those from the European Earth observation programme Copernicus and data on reported and projected losses from adverse climate impacts, where available; and
- (d) best available scientific evidence, including the latest reports of the IPCC, the IPBES and other international organisations; and
- (e) any supplementary information on environmentally sustainable investment, by the Union and Member States, including, when available, investment consistent with Regulation (EU) 2020/852 [Taxonomy Regulation]

2. The EEA shall assist the Commission in the preparation of the assessment referred to in Articles 5 and 6, in accordance with its annual work programme.

*Article 9*

**Public participation**

The Commission shall engage with all parts of society to enable and empower them to take action towards a just and socially fair transition to a climate-neutral and climate-resilient society. The Commission shall facilitate an inclusive and accessible dialogue at all levels, including at national, regional and local level and with social partners, the business community, citizens and civil society, for the exchange of best practice and to identify actions to contribute to the achievement of the objectives of this Regulation using methods of public participation. In addition, the Commission may also draw on the multilevel climate and energy dialogues as set up by Member States in accordance with Article 11 of Regulation (EU) 2018/1999.

*Article 10*

**Review**

Within six months after each global stocktake under the Paris Agreement, the Commission shall submit a report to the European Parliament and to the Council, together with the conclusions of the assessments referred to in Articles 5 and 7, on the operation of this Regulation, taking into account the need to ensure progress towards the achievement of the climate-neutrality objective as referred to in Article 2(1) and to ensure consistency with progress on adaptation as referred to in Article 4. The Commission may make proposals to the European Parliament and to the Council to amend this Regulation where appropriate.



*Article 11*

**Entry into force**

This Regulation shall enter into force on the twentieth day following that of its publication in the Official Journal of the European Union.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 31 January 2021

For the European Parliament

The President

For the Council

The President