



Green Deal

**The EU legislation and what it means
for cities – the case of Ghent**

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What is a European piece of legislation?

- The European Commission tables a legislative (or non-legislative) proposal.
 - The proposal is sent to both the European Parliament and the Council of the EU (the co-legislators).
 - The co-legislators adopt their mandates and then negotiate together. The Commission plays the role of honest broker at this stage.
 - Once the co-legislators reach an agreement, they go back to their institutions for final approval.
 - After these official approvals, the piece of legislation is published in the Official Journal of the European Union and enters into force.
 - Then there is a **transposition and implementation period** (except for regulations), during which the EU legislation needs to be "translated" into national legislation.
- This process can take years. This is the case for the European Green Deal.
- While most texts have been adopted by the co-legislators, many have not yet been translated into national legislation, and therefore are not yet implemented at the local level.

The European Green Deal translated at the local level

Selected pieces of legislation:

1. EU Climate Law
2. Reform of the EU Emissions Trading System
3. CO2 Emission Standards for New Passenger Cars and New Light Commercial Vehicles
4. Corporate Sustainability Reporting Directive
5. Social Climate Fund
6. Energy Efficiency Directive
7. Renewable Energy Directive
8. Energy Performance of Buildings Directive
9. Nature Restoration Law
10. Ambient Air Quality Directive
11. Farm to Fork Strategy

'less' important:

Packaging and Packaging Waste Regulation
Waste Framework Directive
Urban Waste Water Treatment
Euro 7 Law
Climate Border Tax
...

1. European Climate Law

Goal: Climate neutral by 2050

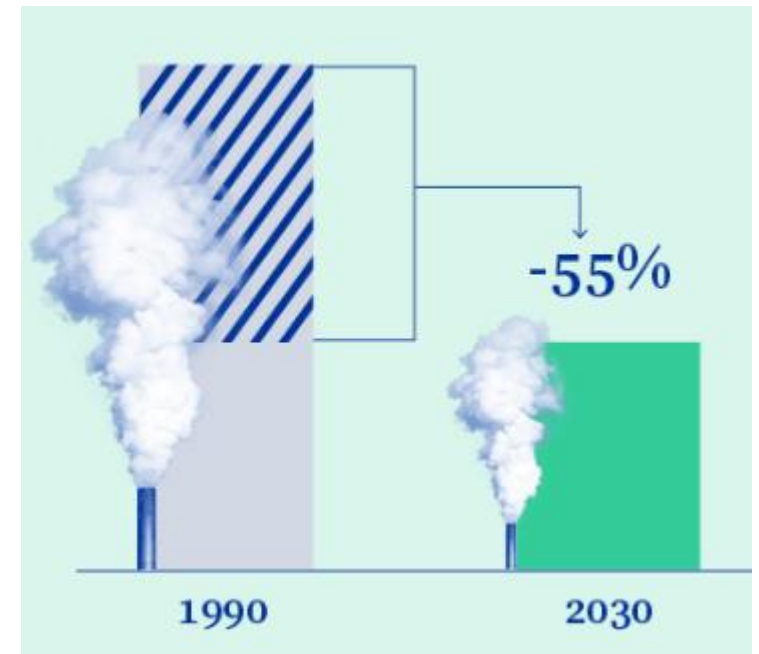
How: just the process

- as most of the policy areas, climate is adopted by qualified majority
- Each member state must have a climate plan and report annually
- For 2030 and 2040, there should be an intermediate target based on science
- 2030: -55%
- 2040: -90% (?)

Impact for Ghent:

- Clear direction for the next 26 years
- both for government and private investors

Published at the Official Journal of the EU and currently under implementation in national legislations



2. Reform of the EU Emissions Trading System

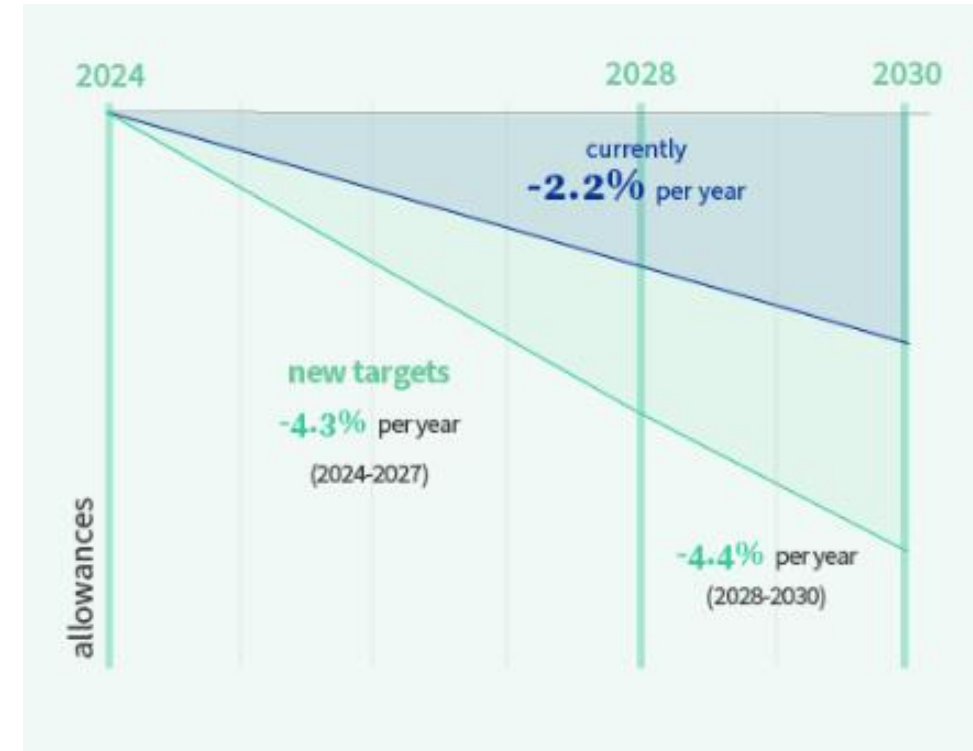
Goal: Reducing greenhouse gas emissions through a carbon market

How:

- CO2 emissions come at a price, companies have to buy allowances
- The total number of allowances is decreasing every year
- 10,000 companies: electricity producers, energy-intensive industry and aviation
- Single market (EU), to be complemented by carbon border taxation
- Expansion into shipping
- Extension to fuels for buildings and road transport in separate system (ETS2) from 2027

Impact for Ghent:

- for the 20 ETS companies in the port: major financial impact
- Investments in energy savings become more interesting / predictable
- Revenues from these ETS resources go to climate measures (per member state)



3. CO2 emission standards for cars and vans

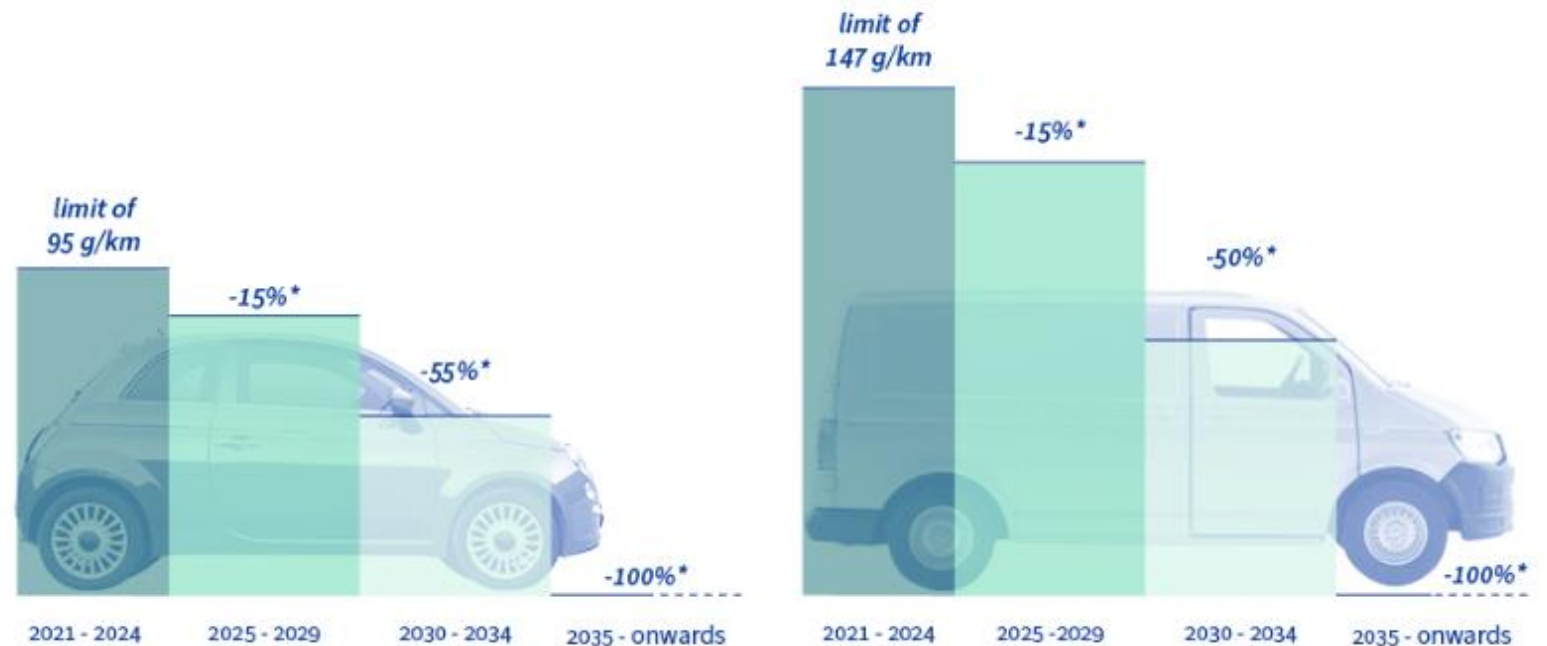
Goal: To make road traffic cleaner

How:

- The specific CO2 emissions target for each manufacturer must be reduced, every year, and by 100% by 2035.

Impact for Ghent:

- More electric cars and effect on LEZ



4. Corporate sustainability reporting CSRD

Purpose: To provide insight into the company's effects on sustainability issues

How:

- Now: company reporting based on the International Financial Reporting Standards, approved by auditor
- From 1/1/2025, over 2024: sustainability report mandatory for large companies
- From 1/1/2026 companies with 250-499 employees, from 1/1/2027 also small companies
- Includes greenhouse gas emissions, energy consumption, use of renewable energy, water use, waste generation, etc.
- Including the supply chain (scope 1, 2 and 3)
- Link with other law (Corporate Sustainability Due Diligence Directive CSDDD): drawing up climate plans mandatory

Impact for Ghent:

- Gain a much better view of scope 3 emissions of companies
- Companies need to make climate plans

5. Social Climate Fund

Purpose:

- A just energy transition, in particular helping (vulnerable) households, SMEs and transport users to invest in their homes or mobility, in the period 2027-2032

How:

- drawing up a social climate plan by each member state by June 2025
- measures financed with the proceeds of ETS2
- Local authorities must be involved in the preparation of the social climate plan
- This is also an opportunity to finance investments by cities in just transition

Impact for Ghent:

- Efforts to make social housing, rental market and energy savings more sustainable
- Opportunity to finance part of this work done by the city

6. Energy Efficiency Directive (EED)

Goal: Principle energy efficiency first, -12% energy consumption by 2030 compared to 2020

How:

- Exemplary role for government buildings:

Mandatory annual reduction in energy consumption of -1.9%

Mandatory annual renovation of min. 3% of the floor area

- Municipalities with more than 45,000 inhabitants must have a local heating and cooling plan

- Urban heat networks are being given a path towards sustainability

between 2027 and 2025 more and more renewable energy and waste heat

Impact for Ghent:

- Renovate city buildings faster

- We need to make such a heating and cooling plan

- Ghent largest heat network (fueled by gas) will have to become more sustainable (or stop)

7. Renewable Energy Directive (RED)

Legislation active,
translated in each country
by 20/11/2025 at the latest

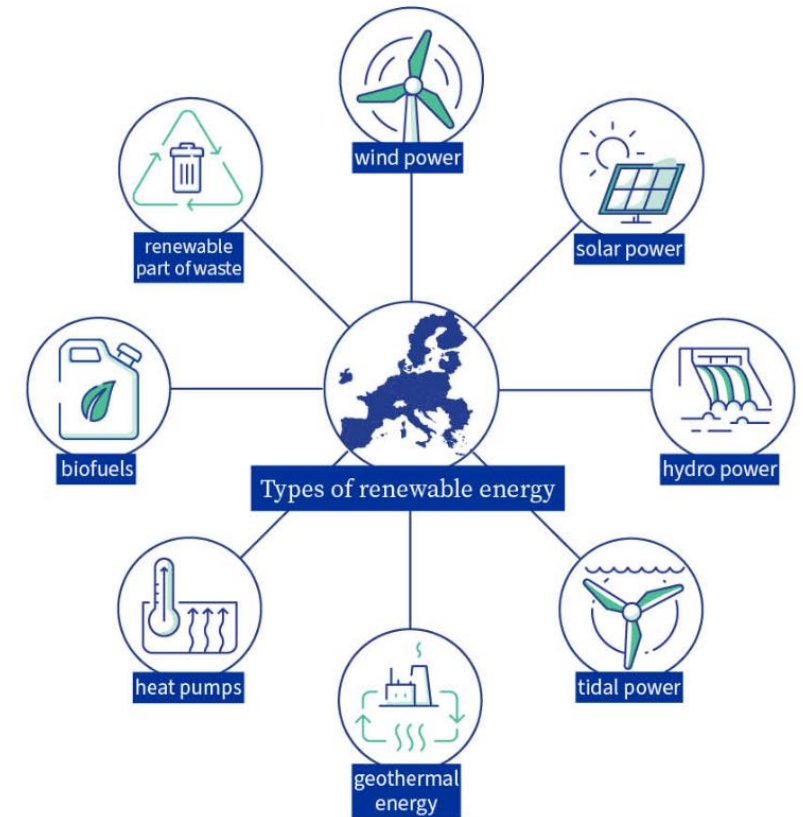
Goal: 42.5% renewable energy by 2030 (in 2021 it was 21%, so double)

How:

- elaboration in the climate plans by national government
- government buildings should lead by example
- stricter requirements for energy from bio-mass
- shorter permitting procedures
- approach to integrating renewable energy into the electricity grid

Impact for Ghent:

- a constant push towards solar panels, wind turbines and heat pumps
- Costs for grid reinforcement will be included in the electricity bill
- Closure of large-scale bio-mass power plant



8. Energy Performance of Buildings Directive (EPBD)

Old legislation active,
revision needs to be
translated into national
legislation

Goal: a zero-emission and fully decarbonised building stock by 2050

How:

- Mass renovation plan per Member State
- Local one-stop-shop that helps with the renovation of homes and SMEs through advice and financial support
- Government buildings should lead by example

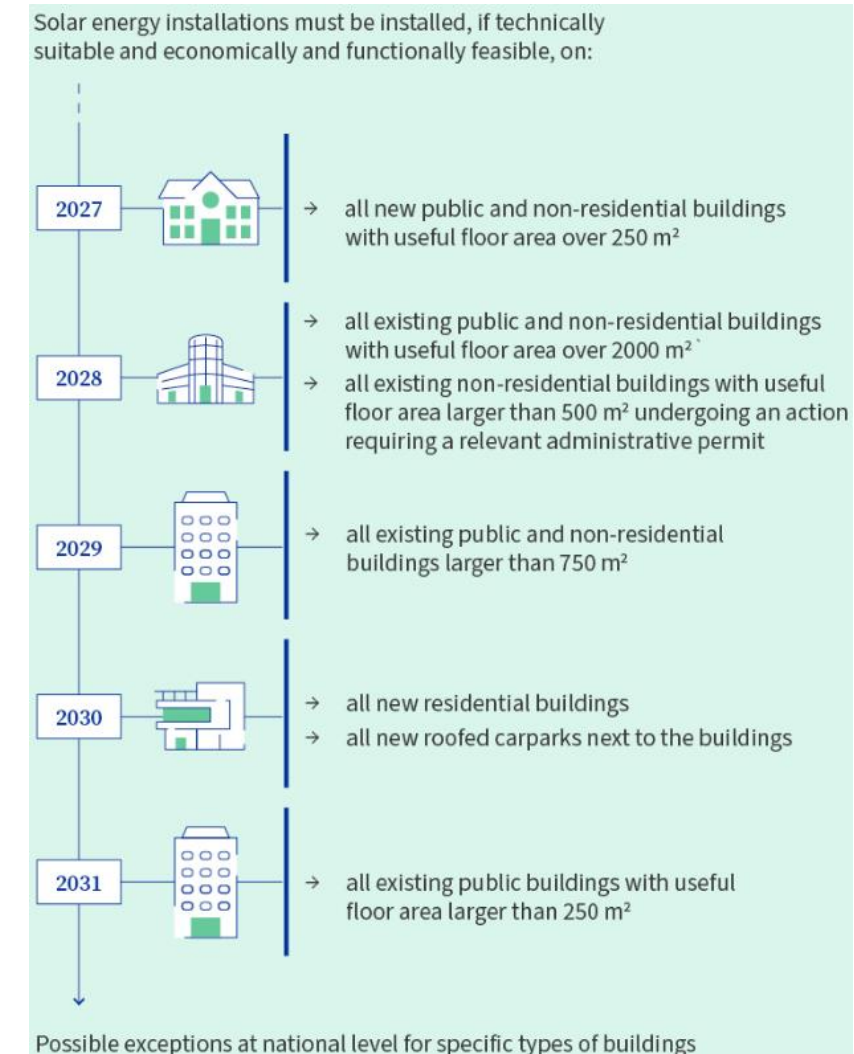
From 2028 all new buildings will be fossil-free, other buildings from 2030

Roofs must have solar panels (starting with all large roofs by 2028)

- PV obligation: phased for all government and non-residential buildings
- Obligation for charging stations and bicycle parking for non-residential buildings
- Draw up a plan for phase-out of fossil fuels by 2040
- Mandatory life-cycle calculation for new construction from 2030

Impact for Ghent:

- operation of One Stop Shop firmly included in EU legislation for a long time
- PV obligation, especially for all government buildings and all non-residential buildings, is strict
- Concrete proposal for the end of the natural gas era in 2040
- starting point for circular building materials



9. Nature Restoration Law (NRL)

Goal: from nature conservation to nature restoration for habitats and species (20% in recovery by 2030, 100% by 2050)

How:

- Planting 3 billion additional trees by 2030
- different objectives for eco-systems (forests, rivers, grasslands, marine areas, ...)
- for urban areas:
 - have a definition and map for urban green spaces in the National Nature Restoration Plan
 - no decrease in urban green space in 2030 compared to 2021 and increase from then on
 - No decrease in tree canopy cover in 2030 compared to 2021 and increase from then on

Impact for Ghent:

- a solid framework for urban greenery/nature and the importance of tree canopies
- important in the context of climate adaptation (provide less heat, less risk of flooding and drought)

10. Ambient Air Quality Directive (AAQD)

Legislation adopted in both institutions under the corrigendum procedure

Goal: Healthier air and reduce disease

How:

- stricter limit and target values for particulate matter and NOx by 2035 (halving, WHO standards)
- obligation to also monitor black carbon
- more monitoring in urban areas and better informs the population
- Better action plans and roadmaps

Impact for Ghent:

(together with the Flemish government)

- Making much more ambitious plans than is currently the case
- Stricter measures and more monitoring

11. Farm to Fork strategy

Goal: Making food healthier and more sustainable

How:

- Action plan for the organic sector
- food security plan, restrictions on pesticide use, trade standards, agricultural policy, animal welfare, etc.
- Proposal for sustainable food systems: e.g. criteria for public procurement, reducing food waste, setting up local food councils, etc.

Impact for Ghent:

- Virtually no legislation makes it to the finish line

Conclusions

Opportunities

- Direction is clear: climate neutrality
- Different pathways on industry, renewables, mobility and buildings are set out
- Mechanisms are ready: ETS, social climate fund, CSRD, ...
- Phase out perspectives for fossil cars, gas heated heat networks, biomass and natural gas heating

Responsibilities

- Translating all Fit For 55-laws on a short term is an enormous challenge for national governments
- EED and EPBD on (own) government buildings: expensive
- Scope 3 emissions, food, adaptation and nature (?): difficult