

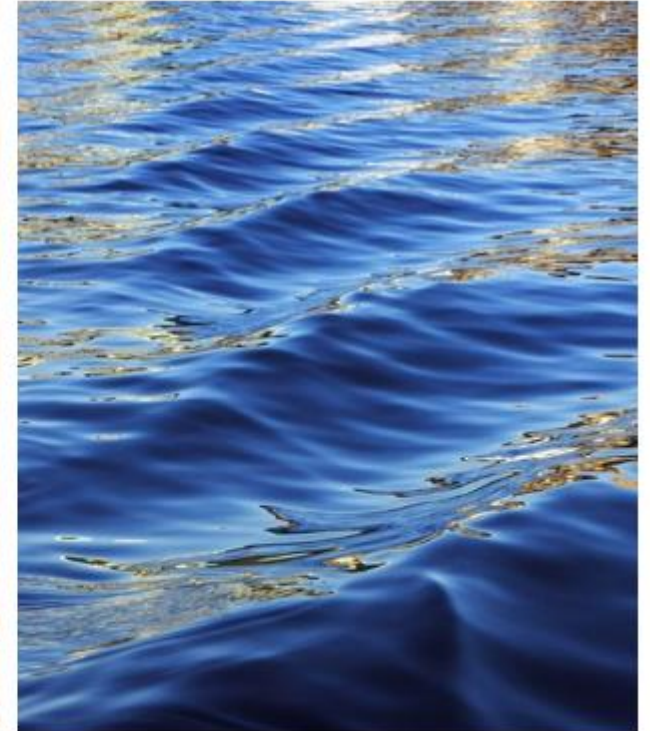


*Enhancing knowledge of EU green finance
policies in insurance and business valuation
- Green FIB-*

*Intensive Course
Green Finance & Sustainability*



**Co-funded by
the European Union**





Green FIB

European Green Deal

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European Green Deal

What is the European Green Deal?

The European Green Deal is a package of policy initiatives, which aims to set the EU on the path to a **green transition**, with the ultimate goal of reaching climate neutrality by 2050, set by Paris Agreement in 2015.

It supports the transformation of the EU into a fair and prosperous society with a **modern and competitive economy**.

It underlines the need for a holistic and cross-sectoral approach in which all relevant policy areas contribute to the ultimate climate-related goal. The package includes initiatives covering the climate, the environment, energy, transport, industry, agriculture and sustainable finance – all of which are strongly interlinked.

The European Green Deal was launched by the Commission in December 2019 and the European Council noted it during its December meeting.

The transition to climate neutrality will bring significant opportunities, such as potential for economic growth, for new business models and markets, for new jobs and technological development.

“European Council conclusions, 12 December 2019”

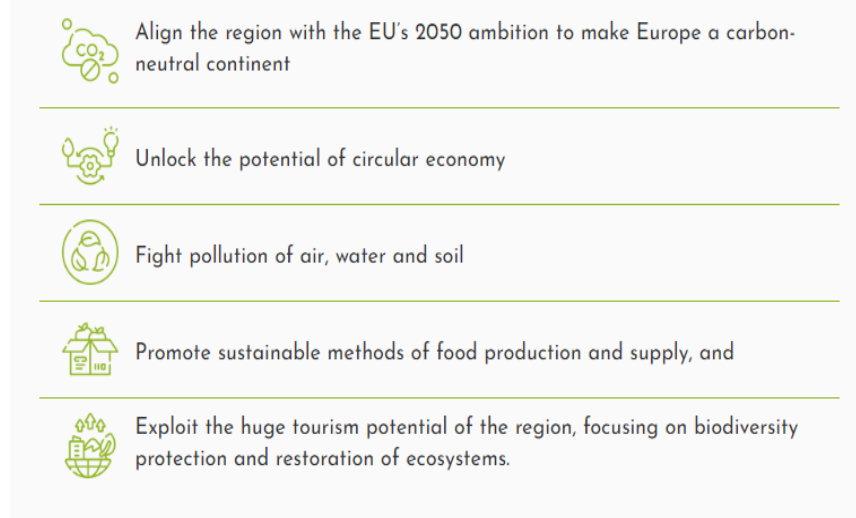


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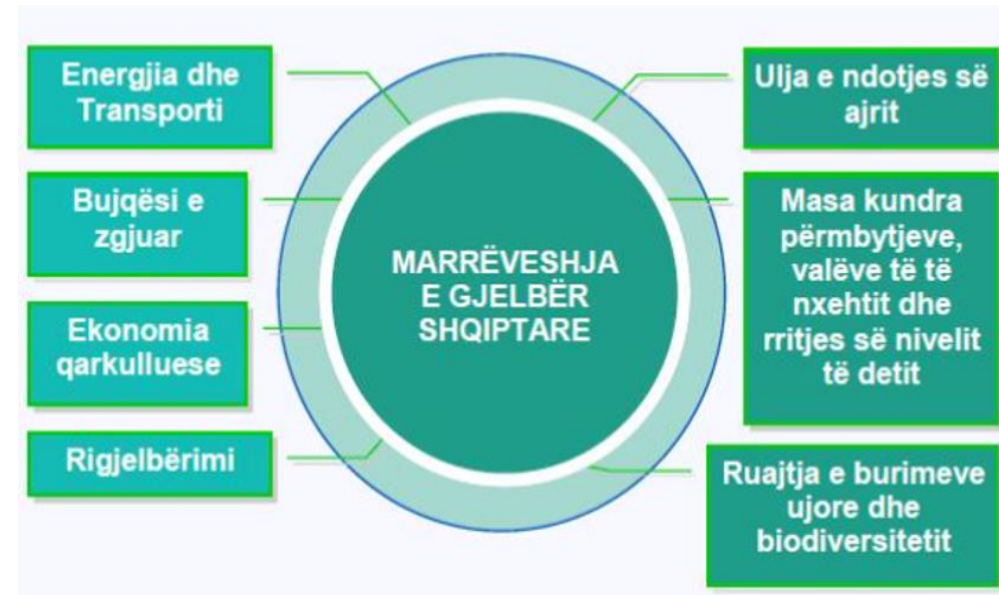
The path of Albania toward the Green Deal

It has become obvious that the environmental ambitions of the European Green Deal will not be achieved by acting only within the EU, as climate change and disaster risk do not know borderlines.

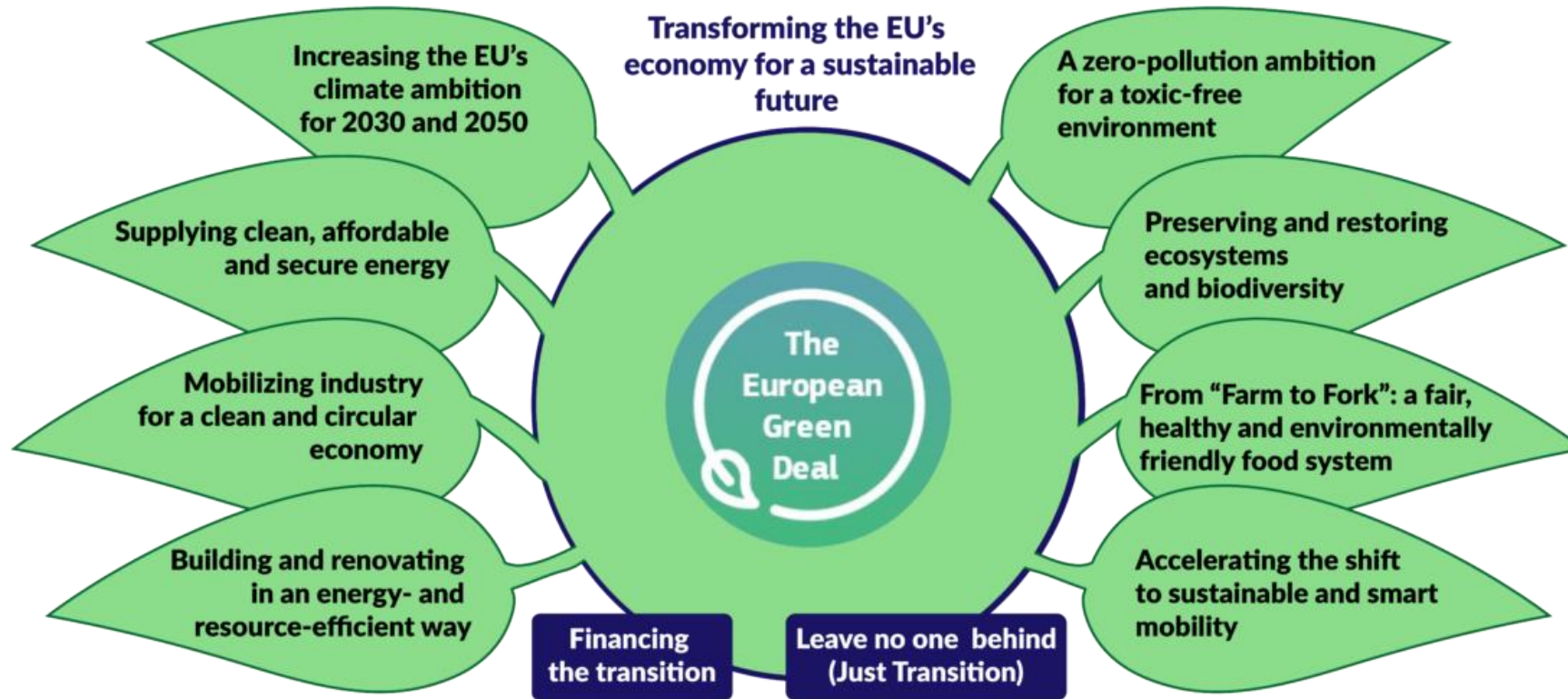
In line with the EU ambition to become climate-neutral by 2050, the region has also committed to achieving carbon neutrality by 2050, and to aligning with the European Green Deal's key elements by endorsing the Green Agenda for the Western Balkan (GAWB) at the Summit in Sofia in 2020, and subsequently the GAWB Action Plan in October 2021. The new Growth Strategy for the Western Balkans requires the transition from a traditional economic model to a sustainable economy, in line with the European Green Deal.



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Increasing the EU's climate ambition for 2030 and 2050

- The main goal of the European Green Deal is to become climate neutral by 2050. In order to achieve this, the Commission proposed the European Climate Law, which was enacted by the European Parliament in 2021. The Law set goals to reduce net greenhouse gas (GHG) emissions by 55% by 2030 compared to 1990 levels and reduce emissions in all sectors.
- The “Fit for 55” is a set of reforms that was presented by the European Commission in 2021.
- The Package is part of the European plan to tackle climate change, the so-called Green Deal, whose goal is to achieve net-zero emissions on EU territory by 2050.
- With the Fit for 55, the European Commission set a further, intermediate target: That of reducing emissions by at least 55 per cent – this explains the package’s name – by 2030 compared with 1990 levels.



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Increasing the EU's climate ambition for 2030 and 2050

A net-zero emissions balance is achieved when the amount of greenhouse gas released into the atmosphere is neutralized. This can be done by carbon sequestration, i.e. by removing carbon from the atmosphere, or through offsetting measures, which typically involve supporting climate-oriented projects.

Emitting less ...

- Energy production and use is currently responsible for 75% of EU greenhouse gas emissions.
- To reduce emissions from energy-intensive industries, the EU has set up an emissions trading system. The EU ETS is a market for carbon permits establishing the amount of emissions which power stations, industrial plants and airlines can release into the atmosphere. Permit levels are gradually reduced to cut the emissions of the participating industries.

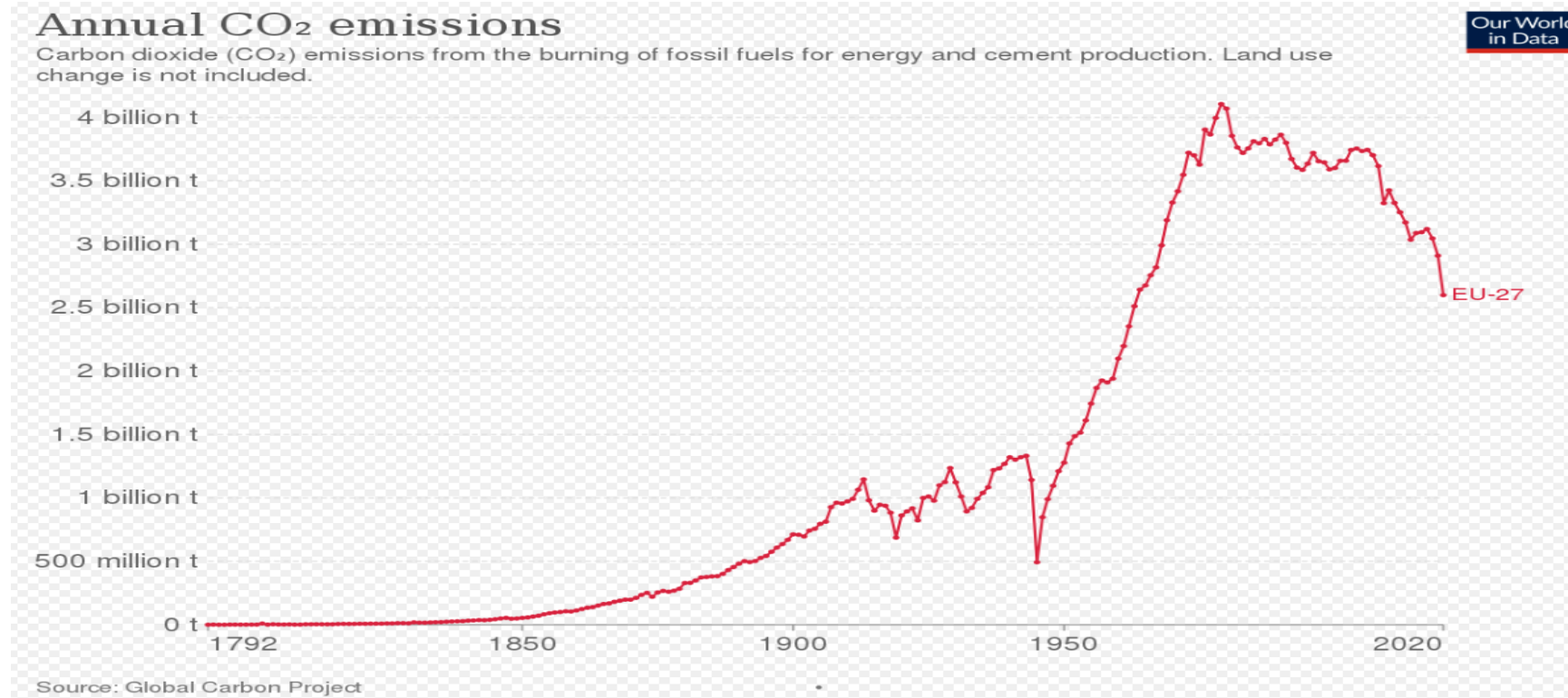
Absorbing more ...

- The oceans and soil both absorb carbon dioxide from the atmosphere, but forests represent the most effective way to make a difference. EU forests absorb the equivalent of nearly 10% of all greenhouse gas emissions each year.



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Increasing the EU's climate ambition for 2030 and 2050



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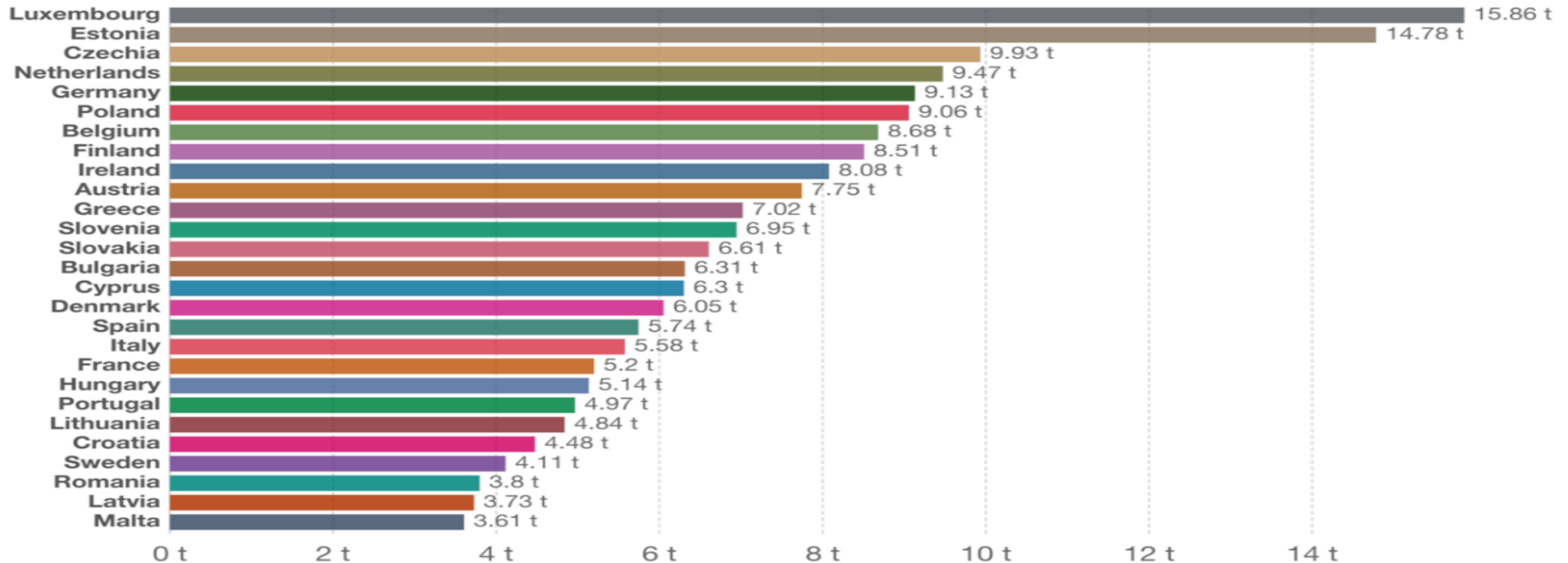


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Per capita CO₂ emissions, 2018

Carbon dioxide (CO₂) emissions from the burning of fossil fuels for energy and cement production. Land use change is not included.

Our World
in Data



Source: OWID based on CDIAC; Global Carbon Project; Gapminder & UN

Note: CO₂ emissions are measured on a production basis, meaning they do not correct for emissions embedded in traded goods. OurWorldInData.org/co2-and-other-greenhouse-gas-emissions/ • CC BY

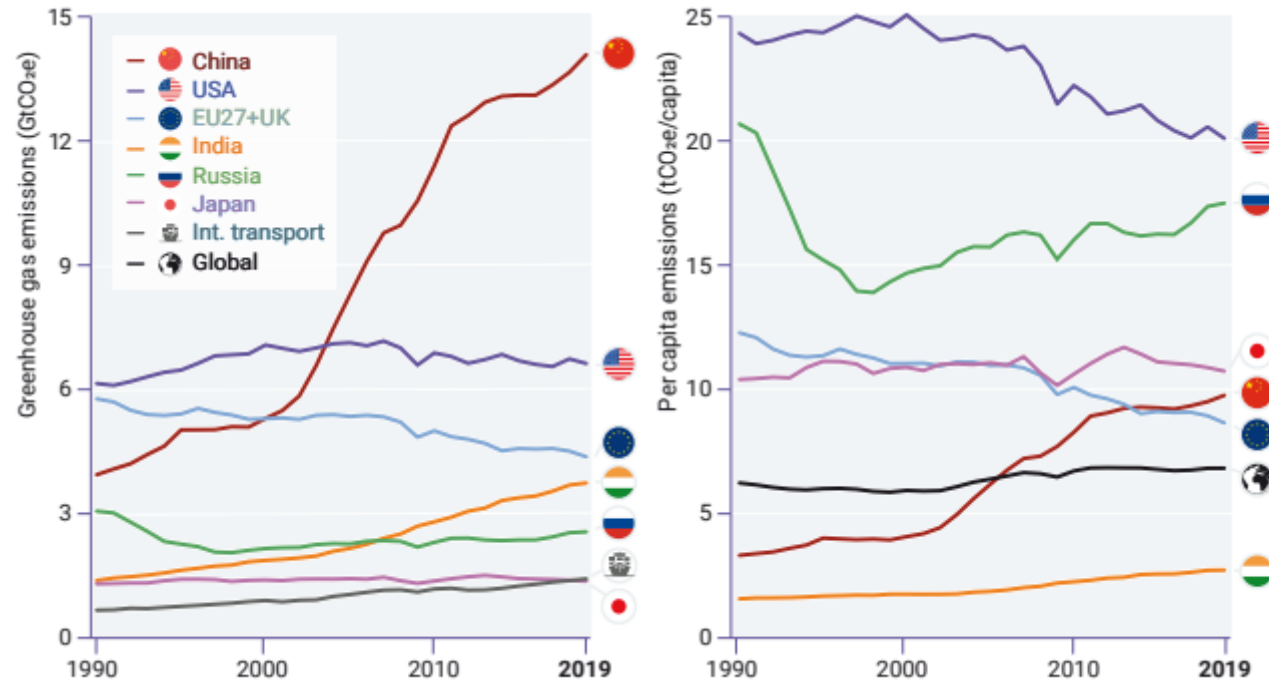


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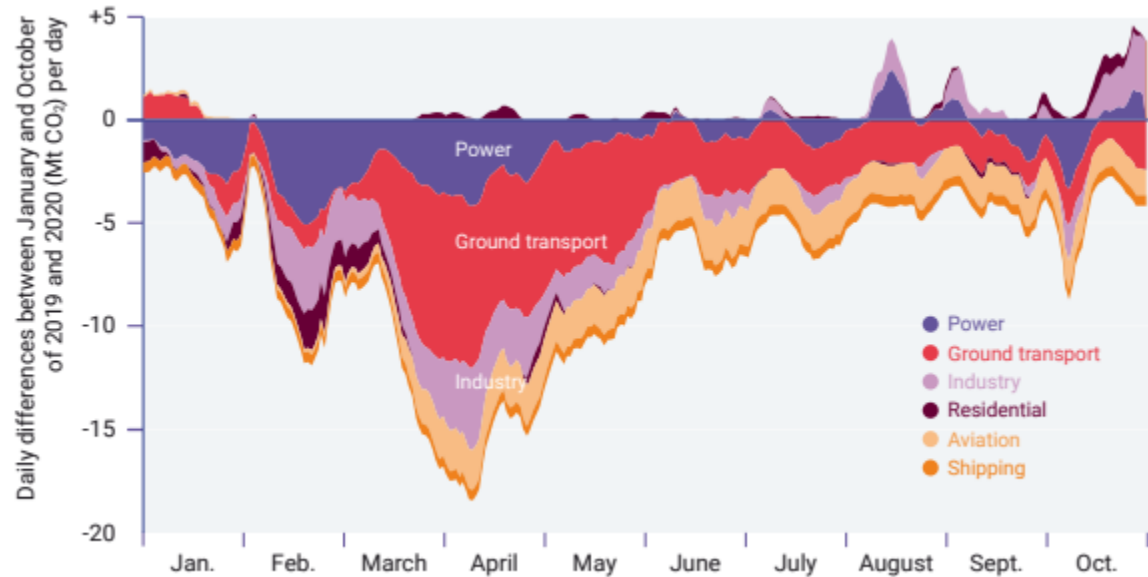
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Absolute GHG emissions of the top six emitters (excluding LUC emissions) and international transport (left) and per capita emissions of the top six emitters and the global average (right).



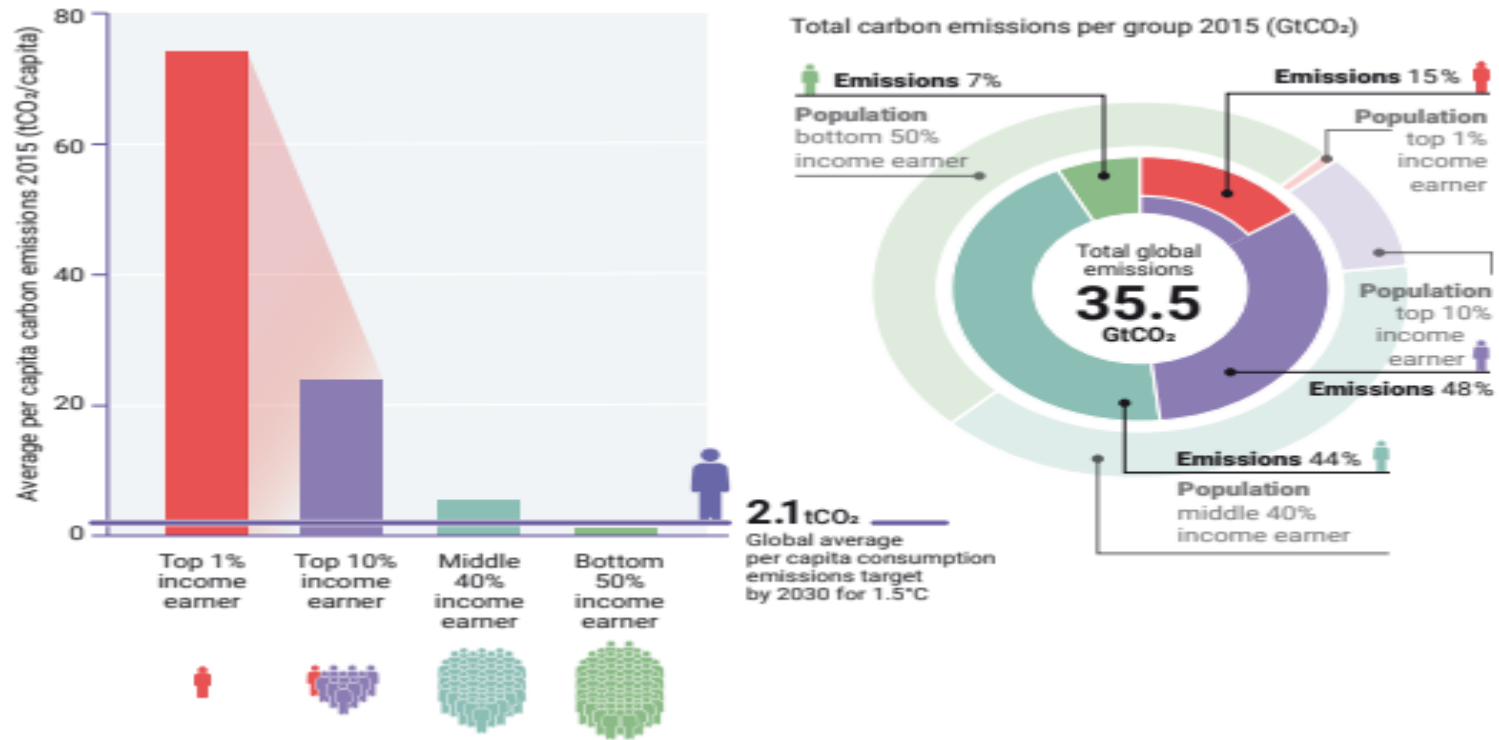
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Reduction in emissions in 2020 relative to 2019 levels due to COVID-19 lockdowns



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Per capita and absolute CO2 consumption emissions by four global income groups for 2015

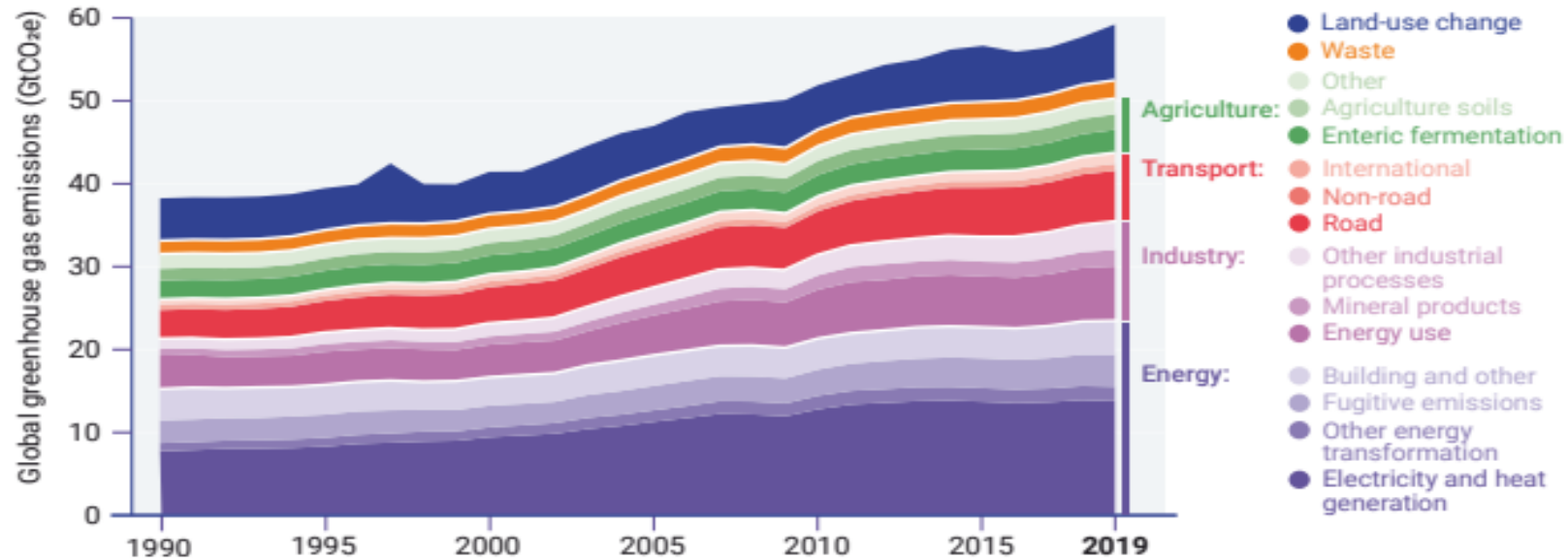


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GHG emissions at the sectoral level



Source: Crippa et al. (2020)

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CO2 emissions (metric tons per capita) - Albania, Montenegro, North Macedonia, Bosnia and Herzegovina, Kosovo, World

Emissions data are sourced from Climate Watch Historical GHG Emissions (1990-2020). 2023. Washington, DC: World Resources Institute. Available online at: climatewatchdata.org/ghg-emissions

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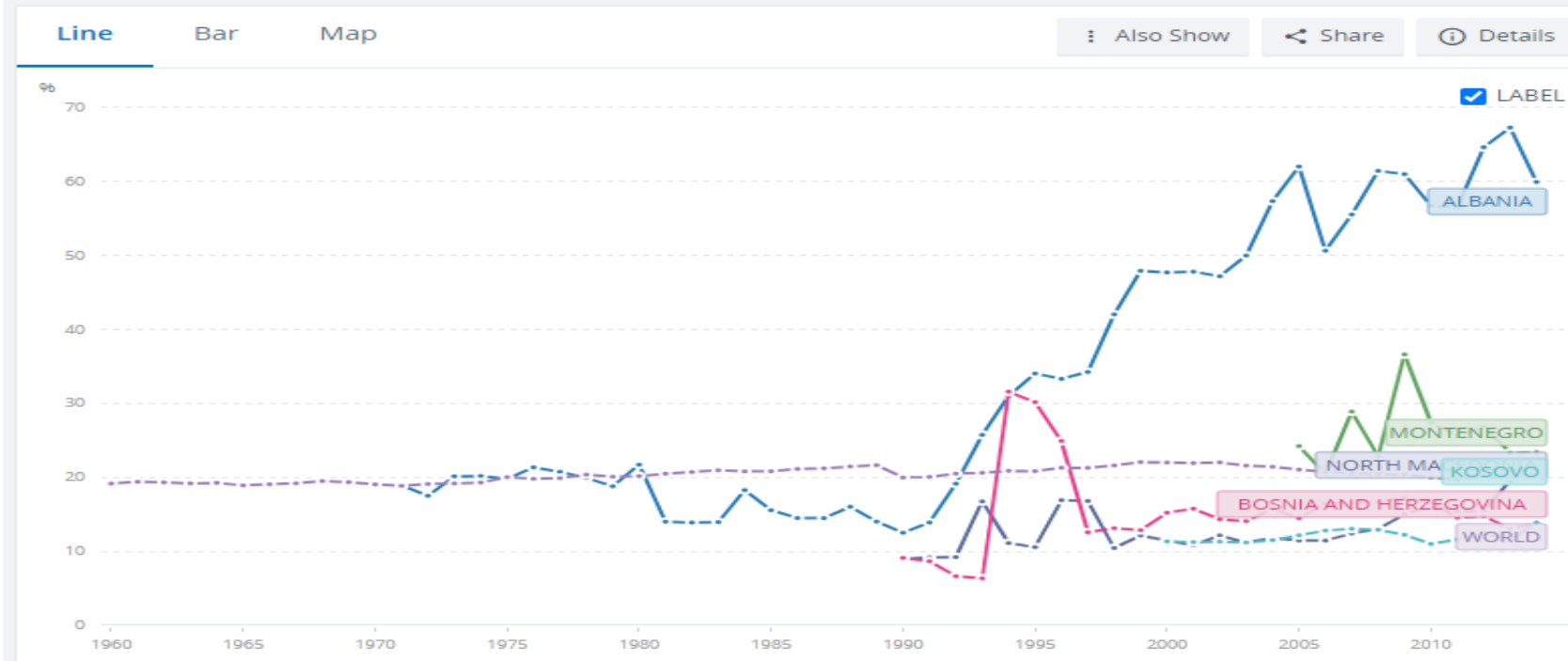


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CO2 emissions from transport (% of total fuel combustion) - Albania, Montenegro, North Macedonia, Bosnia and Herzegovina, Kosovo, World

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European Green Deal

Supplying clean, affordable and secure energy

As 75% of EU greenhouse gas emissions come from energy use and production, the decarbonisation of the energy sector is a crucial step towards a climate-neutral EU.

The EU is working at several levels to achieve these objectives:

- to “prioritise energy efficiency”
- to “develop a power sector based largely on renewable resources”,
- to secure an affordable EU energy supply
- and to have a “fully integrated, interconnected digitalised EU energy market”.



European Green Deal

Mobilizing industry for a clean and circular economy

- The **Circular Economy Package** has been adopted with a view to boosting global competitiveness, fostering sustainable economic growth and generating new jobs.
- It consists of two EU Action Plans for the Circular Economy (2015 and 2020), with measures covering the full life cycle of products: from production and consumption to waste management and the market for secondary raw materials.
- The EU's transition to a circular economy will reduce pressure on natural resources and will create sustainable growth and new employment opportunities. Circular Economy presents an opportunity to achieve the EU's 2050 climate neutrality target and to halt biodiversity loss. The involvement of local governments, and local small and medium-sized enterprises, has the potential to drastically increase the roll-out of a circular economy and benefit citizens across Europe, as well as their local economies.

Less waste – More value

- Prevent waste in the first place
- Transform waste into high-quality and safe resources in markets for recycled materials
- Address waste exports



European Green Deal

Building and renovating in an energy and resource efficient way

The European Commission introduced a new strategy, "A Renovation Wave for Europe – Greening our buildings, creating jobs, improving lives" to boost renovation, which aims to double annual energy renovation rates in the next ten years.

These renovations will enhance the quality of life for people living in and using the buildings, reduce Europe's greenhouse gas emissions, and create up to 160,000 additional green jobs in the construction sector.

To address the twin challenge of energy efficiency and affordability, the EU and the Member States should engage in a 'renovation wave' of public and private buildings. While increasing renovation rates is a challenge, renovation lowers energy bills, and can reduce energy poverty. It can also boost the construction sector and is an opportunity to support SMEs and local jobs.

There are two major components in this transition.

- A transition in designing and constructing buildings to reduce their embodied emissions and to increase the energy efficiency of their operation; the same applies to retrofitting existing buildings to increase their efficiency.
- A transition to energy positive buildings with sustainable, renewable energy technologies



European Green Deal

Building and renovating in an energy and resource efficient way

Overall, buildings are responsible for approximately 40% of the EU's total energy consumption, and for 36% of its greenhouse gas emissions from energy.

More than 220 million building units were built before 2001 – 85-95% will exist in 2050 – of which most are not energy-efficient, use old technologies and wasteful appliances, and rely on fossil fuels for heating and cooling.

In addition, the pandemic and social distancing has brought into sharper focus our buildings as homes have become a focal point of people's lives. Some of the effects of the pandemic may continue in the longer term and, thereby, creating new demands on buildings and their energy and resource profile, hence, further adding to the need to renovate them deeply and on a massive scale.

Renovation offers a unique opportunity to rethink, redesign and modernize our buildings to make them fit for a greener and digital society and sustain economic recovery. Building and renovating in an energy and resource efficient way will require an overhaul of the construction industry since the use and renovation of buildings require significant amounts of energy and mineral resources such as sand, gravel and cement.

Today the annual renovation rate of the building stock varies from 0.4 to 1.2% in the Member States. This rate will at least need to be doubled to reach the EU's energy efficiency and climate objectives. In parallel, 50 million consumers struggle to keep their homes adequately warm. A 3% target must be reached for public building renovation.

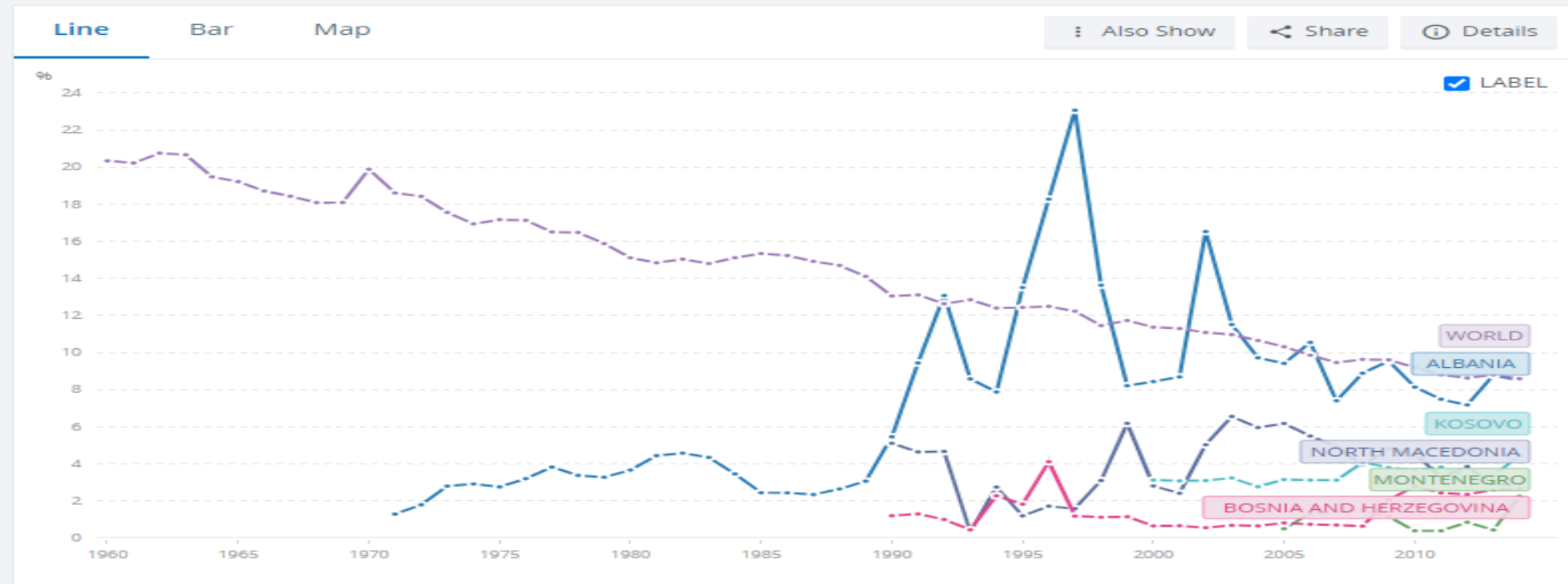


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CO2 emissions from residential buildings and commercial and public services (% of total fuel combustion) - Albania, Montenegro, North Macedonia, Bosnia and Herzegovina, Kosovo, World

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Accelerating the shift to sustainable and smart mobility

Transport emissions represent around 25% of the EU's total greenhouse gas emissions and urban mobility has been singled out as a key focus area for the European Green Deal through its mission to have Europe be climate neutral by 2050.

For that purpose, the European Commission published the European Urban Mobility Framework in 2021, proposing measures and initiatives for cities to meet the challenge related to making their mobility systems more sustainable.



European Green Deal

Accelerating the shift to sustainable and smart mobility

Strategy for Sustainable and Smart Mobility for the Western Balkans is part of the Green Agenda for the Western Balkans and the European Commission's Economic and Investment Plan for the Western Balkans.

Making transport in the Western Balkans *cleaner, safer, smarter, greener, resilient, competitive, and sustainable*.

Sustainable Mobility

- Boosting the uptake of zero-emission vehicles, renewable & low-carbon fuels and related infrastructure.
- Creating zero-emission airports and ports
- Making interurban and urban mobility more sustainable and healthier
- Greening freight transport
- Pricing carbon and providing better incentives for users

Smart Mobility

- Making connected and automated multimodal mobility a reality
- Innovation, data and artificial intelligence for smarter mobility

Resilient Mobility

- Working toward the single market
- Making mobility fair and just for all
- Enhancing transport safety and security

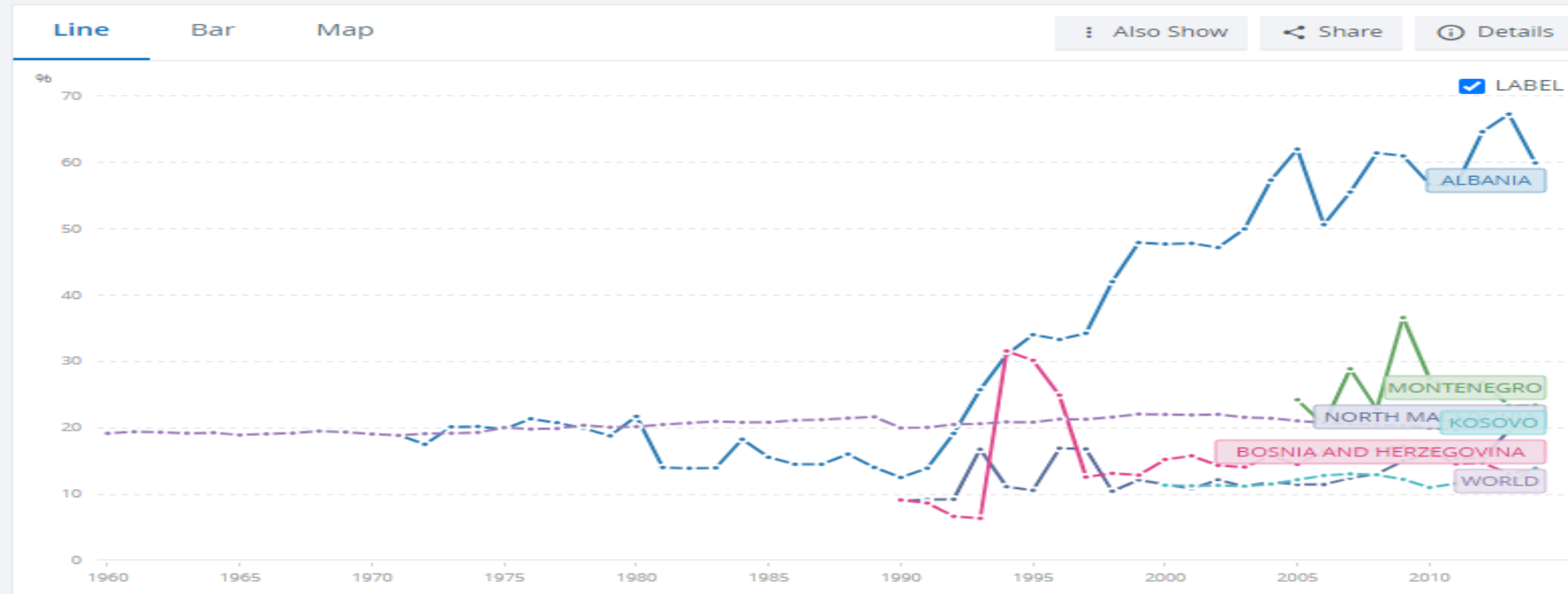


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CO2 emissions from transport (% of total fuel combustion) - Albania, Montenegro, North Macedonia, Bosnia and Herzegovina, Kosovo, World

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European Green Deal

From ‘Farm to Fork’: designing a fair, healthy and environmentally-friendly food system

The Commission’s farm to fork strategy aims to help the EU achieve climate neutrality by 2050, by shifting the **current EU food system towards a sustainable model**.

In addition to food security and safety, the strategy’s main goals are to:

- ensure sufficient, affordable and nutritious food within planetary limits
- support sustainable food production
- promote more sustainable food consumption and healthy diets

In October 2020, the Council adopted a set of conclusions on the strategy, endorsing the goal of developing a European sustainable food system, from production to consumption.

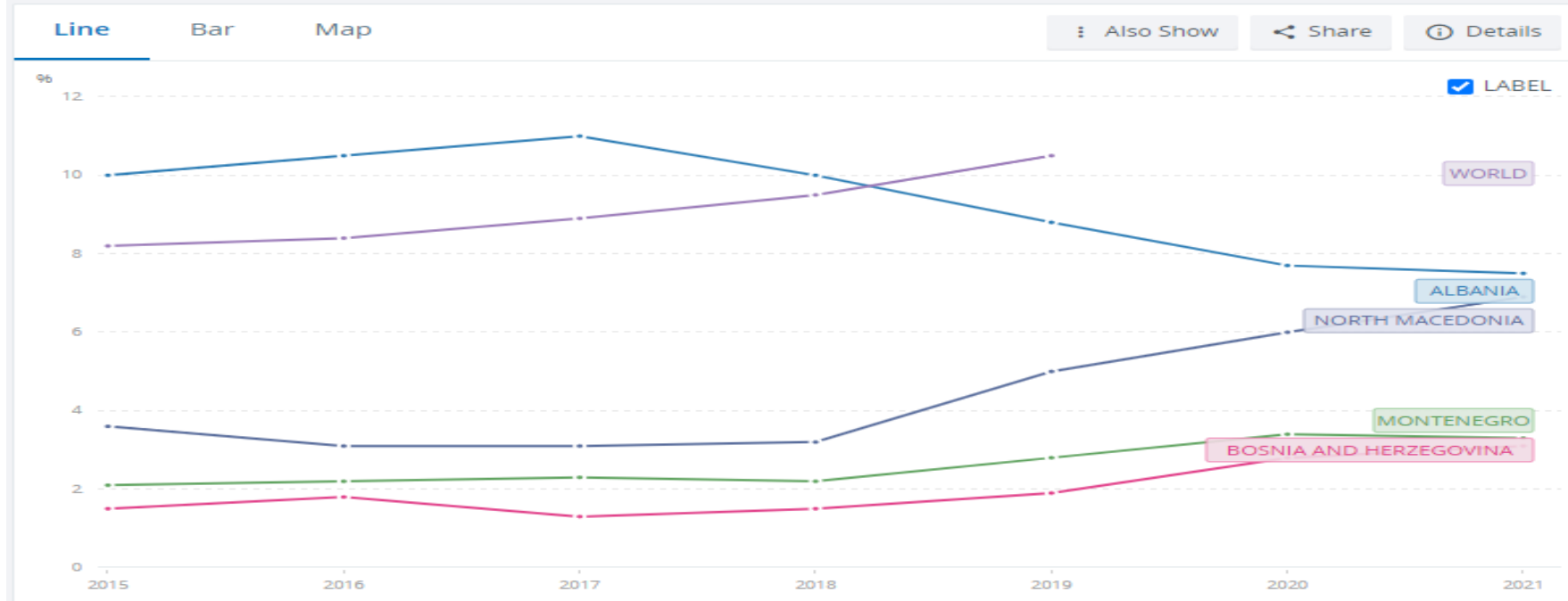


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Prevalence of severe food insecurity in the population (%) - Albania, Montenegro, North Macedonia, Bosnia and Herzegovina, Kosovo, World

Food and Agriculture Organization of the United Nations (FAO)

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Preserving and restoring ecosystems and biodiversity

Biodiversity and ecosystems provide us with food, health and medicines, materials, recreation, and wellbeing. They filter our air and water, help keep the climate in balance, convert waste back into resources, pollinate and fertilize crops and much more.

In 2020, the EU launched its new Biodiversity Strategy aiming to make 30% of Europe protected areas and restore degraded ecosystems on land and at sea across the whole of Europe. One key aspect to succeed with this ambition is for citizens to gain increased knowledge on the preservation and restoration of biodiversity.

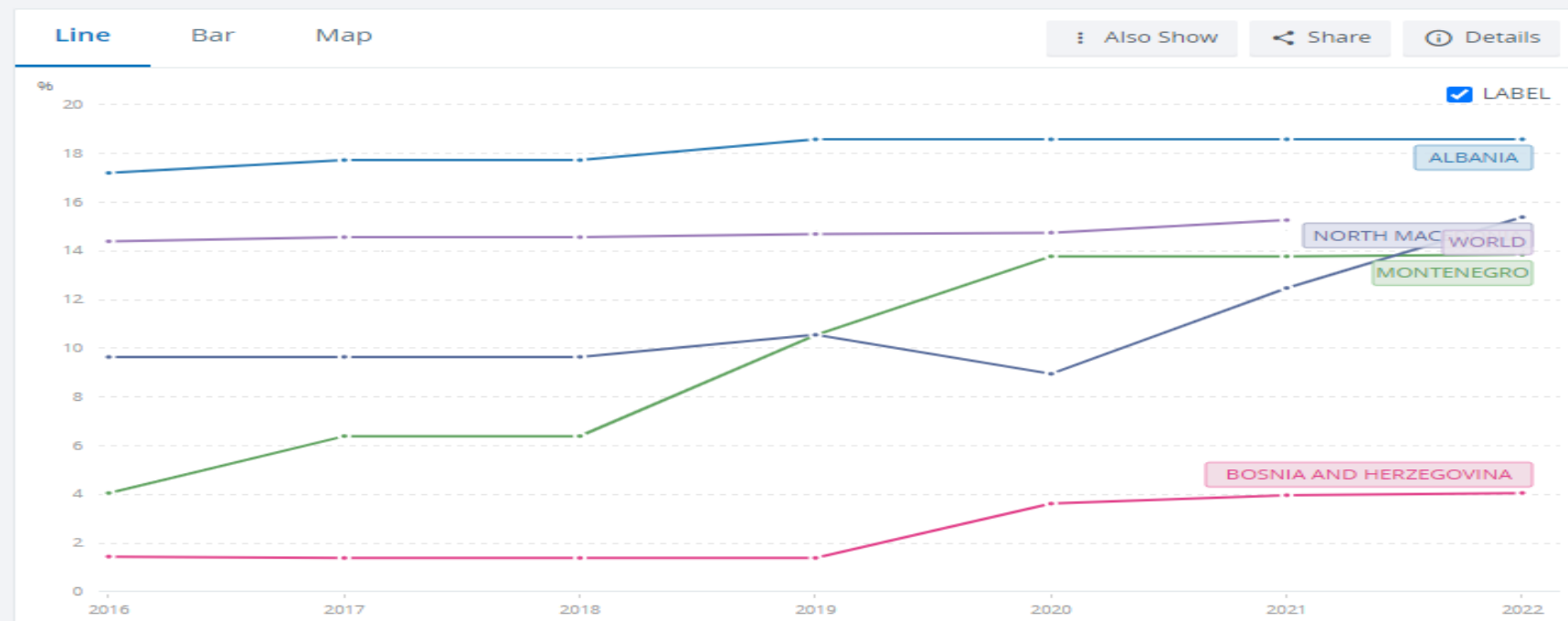


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Terrestrial protected areas (% of total land area) - Albania, Montenegro, North Macedonia, Bosnia and Herzegovina, Kosovo, World

World Database on Protected Areas (WDPA) where the compilation and management is carried out by United Nations Environment World Conservation Monitoring Centre (UNEP-WCMC) in collaboration with governments, non-governmental organizations, academia and industry. The data is available online through the Protected Planet website (protectedplanet.net).

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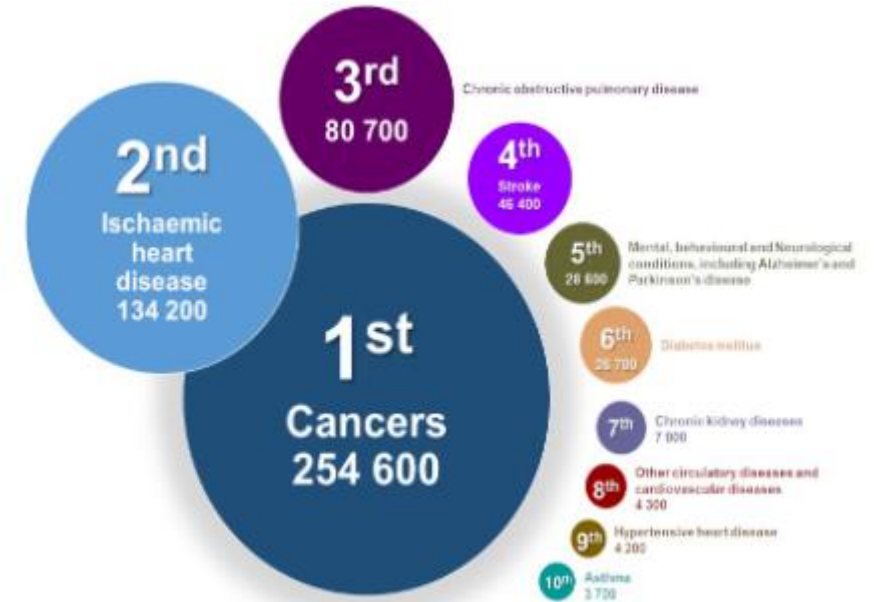


European Green Deal

A zero-pollution ambition for a toxic-free environment

Pollution harms our health and our environment. It is the largest environmental cause of multiple mental and physical diseases and of premature deaths, especially among children, people with certain medical conditions and the elderly.

In addition to affecting people's health, pollution is one of the main reasons for the loss of biodiversity. It reduces the ability of ecosystems to provide services such as carbon sequestration and decontamination.



European Green Deal

A zero-pollution ambition for a toxic-free environment

The EU's Action Plan: "Towards Zero Pollution for Air, Water and Soil" set out ambitious of reducing the negative health impacts, plastic waste, use of chemical pesticides and much more, as we move towards a Europe without pollution.

*The zero-pollution vision for 2050: a **Healthy Planet for All**.*

The zero pollution targets for 2030:

Under EU law, Green Deal ambitions and in synergy with other initiatives, by 2030 the EU should reduce:

1. by more than 55% the health impacts (premature deaths) of air pollution;
2. by 30% the share of people chronically disturbed by transport noise;
3. by 25% the EU ecosystems where air pollution threatens biodiversity;
4. by 50% nutrient losses, the use and risk of chemical pesticides, the use of the more hazardous ones, and the sale of antimicrobials for farmed animals and in aquaculture;
5. by 50% plastic litter at sea and by 30% microplastics released into the environment;
6. significantly total waste generation and by 50% residual municipal waste.



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**Thank you
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