



# THE GREEN NEW DEAL

Working Group activity Report 2010



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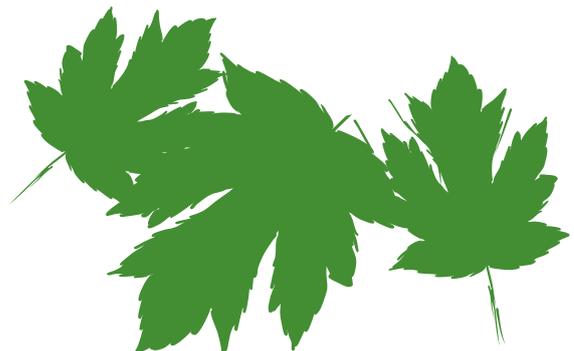
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## MORE THAN A POLICY FOR GREENING, A PROGRAMME FOR LIVING

The Green New Deal (GND) is a comprehensive response to the current economic, social and environmental crises. It aims to ensure prosperity and well-being for all, across the planet and generations, based on reducing inequalities within and between societies, and reconciling our lifestyles - the way we live, produce and consume - with the physical limits of our planet.

The Green New Deal is more than just another «eco-friendly» policy - it's a plan for a complete rethink of priorities, from the way we live and work to what we value most. Therefore the Green New Deal proposes a comprehensive, economic, social and environmental revolution, from infrastructure and sustainable industrial policies to investment in peoples' wellbeing and redistribution of wealth.

The Green New Deal amounts to nothing less than a new approach to every aspect of life. Without such an approach, the world isn't going to be big enough, literally, for all of us.



# THE GREEN NEW DEAL



**We call for a Green New Deal  
- that's the deal!**

## Why We Need a Green New Deal

We need a GND because without it the planet will reach breaking point. We haven't reached that point yet partly because two billion citizens live in poverty and hunger, preventing them from living Western-style lives of mass consumption and major exploitation of natural resources.

It's a dilemma the GND is designed to solve - providing decent living standards for all without exhausting the physical limits of our environment. So far the fightback against the eroding, overcrowded planet, is largely uncoordinated, piece-meal, and not an integral part of the way we live.

We need a GND to bring together all the elements needed to create a way of living which is not self-destructive – a comprehensive, economic, social and environmental revolution.

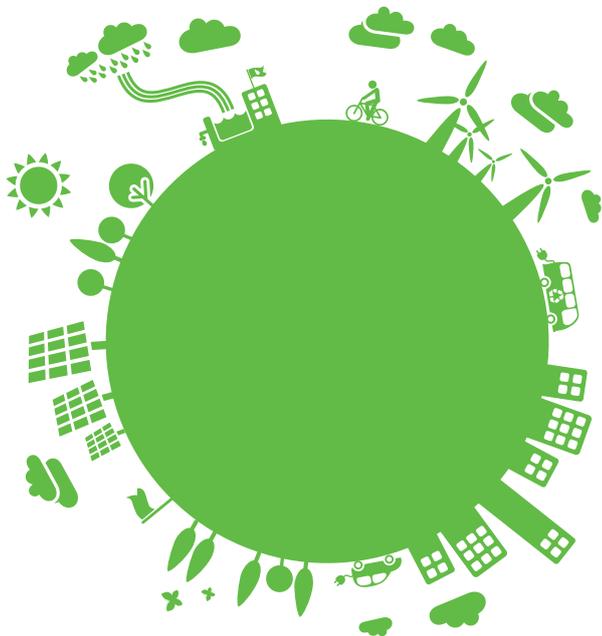
## The Green New Deal working group

The Greens in the European Parliament set up a dedicated working group with the task of developing Green New Deal policies.

Transversal by nature, the GND touches nearly all policy areas dealt with in the European Parliament. In 2010, Green MEPs working in five different Committees started shaping GND policies.

We produced policy papers on the macroeconomic and financial, industrial, employment and mobility dimensions of the GND. To feed into this policy development process, we commissioned four major studies and organised seven workshops and conferences with experts and Greens from around Europe.

In parallel to developing GND policies in specific sectors, we are also developing the vision of the GND - to reinvent ourselves in order to reinvent a sustainable planet. This ecological transformation involves social, cultural and economic change. The severity of the economic, social and environmental crises calls for a programme for living rather than a policy for greening.



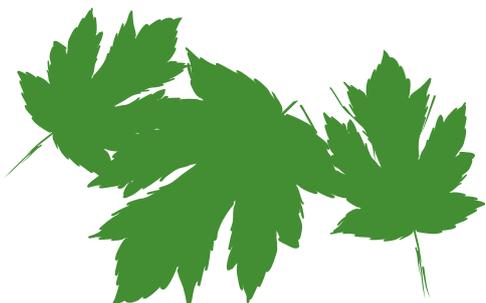
## The Green New Deal in the European Parliament

The transversal scope of the Green New Deal, and the involvement of MEPs working in various policy fields, means that we have been active in trying to translate key GND objectives and policies into reports and resolutions of the European Parliament. On some aspects, Green MEPs succeeded in pushing GND policy proposals at the forefront of the political agenda (e.g. energy targets, decent work, etc.). However, resistance to change is still strong. There still is a long way to go, as the majority in place is too often still conservative. Dialogue and cooperation with civil society, trade unions and businesses is also at the heart of the implementation of the GND. The Green New Deal is increasingly making its way into European policy-making. Simply «greenwashing» a few policies does not work anymore with public opinion.

## Moving the Green New Deal forward in 2011

The achievements presented in this report show the first building blocks of the Green New Deal. In 2011, the GND Working Group will continue to develop and build on its existing work by exploring new dimensions and going deeper in existing ones. In particular, the external, urban and rural dimensions of the GND, as well as the GND and China will be explored. We will also further develop the social and mobility dimensions of the GND. Furthermore, the working group will focus on research, innovation, raw materials and SMEs, on which expertise is still needed to focus and strengthen our proposals.

In addition to building content, the working group will intensify its efforts to spread the GND message beyond the European Parliament and build alliances with civil society, trade unions and businesses, both at national and European levels.



**Philippe Lamberts and Claude Turmes**

Coordinators of the Green New Deal Working Group

# Energy



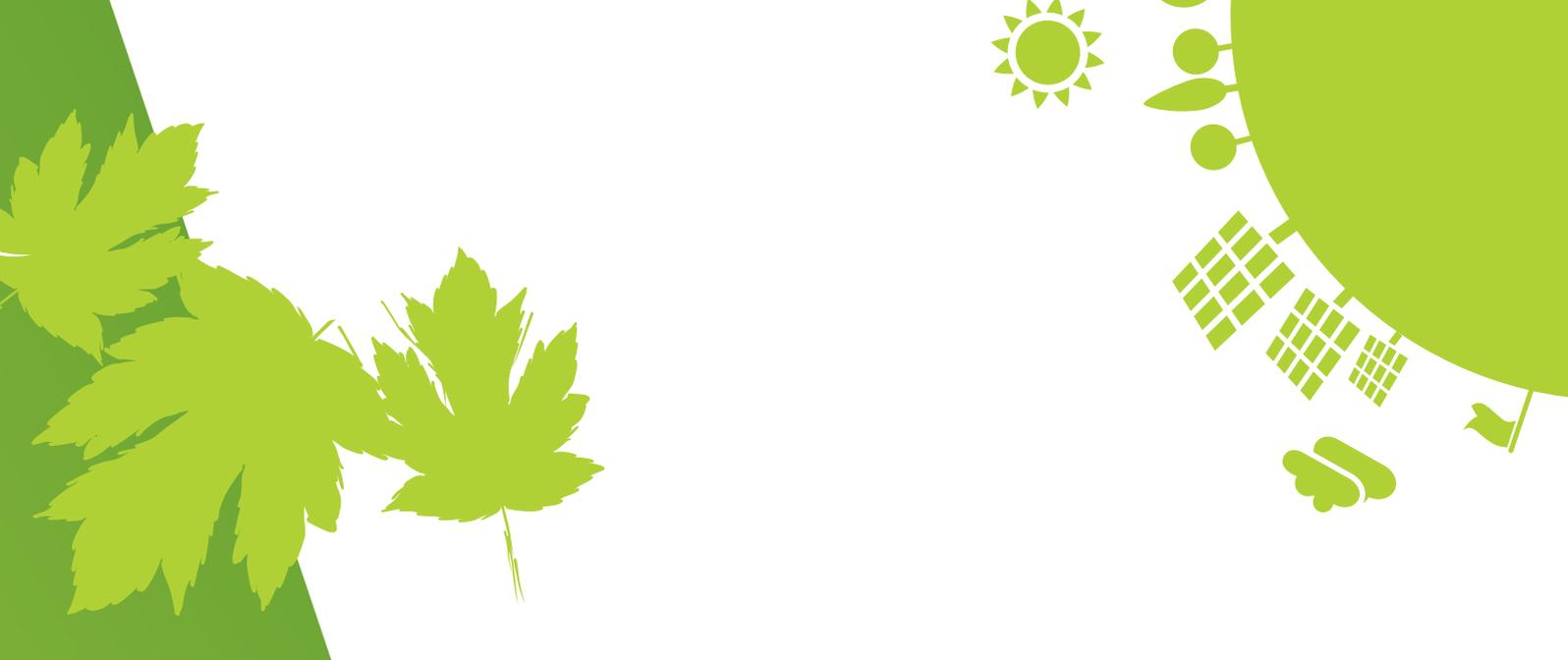
*« The EP has today set out a viable path for the EU energy sector, calling for energy efficiency and renewable energy to be at the heart of the EU's energy strategy over the next decade. »*

*Claude Turmes 25/11/2010*



 [Other languages](#)





## Introduction

Energy - heat and power - underpins our modern way of life, but the world still depends on conventional fossil fuels - oil and gas - which are largely responsible for climate change.

The GND requires a massive switch to more sustainable energy production, with ambitious targets for the use of renewable energy sources, including 100% use of renewable energies in Europe by 2050.

Nuclear energy - which many wrongly call «low-carbon» energy - is not the answer. The energy involved in mining, fuel fabrication, construction, transport and waste management makes nuclear comparable in carbon dioxide production to an efficient gas-powered station. In addition, nuclear energy leaves toxic waste, a real threat to people and the environment for thousands of years, not to mention the risk of fall-outs or nuclear accidents.

The GND advocates a fundamental shift towards a sustainable energy system that would create new jobs, increase European competitiveness, promote technological change, cut down our CO<sub>2</sub> emissions, boost our energy security as well as protect our industries from future energy price shocks.





## WHAT WE WANT

The GND calls amongst other things, for:

- Strict adherence to the agreed 20% renewable energy share by 2020 as a minimum, and a 100% use of renewable energy by 2050 at the latest.
- The creation of a European super grid to carry renewable electricity across Europe from where it is generated to where it is needed, and decentralised smart grids to integrate the electricity that people generate at home.
- A 40% reduction in CO2 emissions in the EU by 2020 compared to 1990 levels - anything less than a 30% reduction is completely out of line with science and will not prevent the dramatic consequences of runaway climate change.
- Resource efficiency indicators with a similar status as GDP and monetary indicators.
- Strict adherence to the 20% EU energy efficiency target, the introduction of minimum efficiency standards for all kind of appliances, and a large programme for buildings renovation.
- Strict EU standards for power plants, so that by 2020 no new coal-fired power plants can be built.

The Greens in the European Parliament have successfully pushed for a Green New Deal through several reports and resolutions, despite the constant battle with mainstream political parties, supporting short-sighted interests and quick-fix energy solutions.



## WHAT WE DID

We organised a workshop on energy grids in June, getting input from experts on energy infrastructure and demand side management and discussing how to achieve GND renewable energy targets.



## IN THE EUROPEAN PARLIAMENT

With the adoption of the [Kolarska-Bobinska report](#) on a new Energy Strategy for Europe 2011-2020 in November 2010, the European Parliament set out a viable path for the EU energy sector, calling for energy efficiency and renewable energy to be at the heart of the EU's energy strategy over the next decade. Greens managed to get the Commission and Member States to seriously consider moving to a 30% CO2 reduction target by 2020 (currently set at 20%).

Amongst other things, the report also pushes for the quick development of a modern and smart EU-wide power grid and proposes to tax activities that are harmful to the environment, rather than sustainable ones.

As the report made overly positive assumptions on the role of shale gas (natural gas obtained from shale rock) and EU licensing of nuclear plants, the Greens abstained in the final vote.

[Full report](#)

The [Van Brempt report](#), adopted by the Committee on Industry, Research and Energy (ITRE), says that left-over money from the EU's economic recovery plan should be used for energy efficiency and renewable energy projects. The Greens role in the negotiations of the original recovery plan as well as the amendments presented in the report were pivotal to ensure that efficiency and renewables projects from European cities and regions could benefit from EU money through a revolving fund set up to this effect.

[Full report](#)

The [Ticau report](#) of 18 May 2010 on the recast of the energy performance of buildings directive calls for «nearly zero-energy building». This means that by 31 December 2020, all new buildings must emit close to zero grams of CO2. Public buildings should lead by example and achieve this target two years before.

[Full report](#)



# Energy



With the adoption of the [Bendt Bendtsen report](#), outlining the EP's position on the upcoming EU energy efficiency action plan, the European Parliament clearly called for a 20% binding EU energy saving target. The Greens were also calling for an EU-wide renovation programme of the existing building stock, to ensure that by 2050, all EU buildings are nearly-zero energy. Unfortunately, the report fell short of that demand. However, to reach the target, renovations and retrofitting of houses will be necessary as the largest potential for energy efficiency lies in the building sector. The report sent a clear signal to act on efficiency to EU heads of states who met early in 2011.

[Full report](#)

 [Yannick Jadot - 14/12/2010](#)

 [Bas Eickhout - 14/12/2010](#)

*«Le potentiel d'économie d'énergie est énorme. Alors que le froid fait exploser les factures d'énergie des européens, ce potentiel doit être utilisé ! Réduire de 20% notre consommation est la meilleure réponse à l'augmentation des prix de l'énergie : cela créerait un million d'emplois et ferait économiser mille euros par an à chaque ménage.»*

*Yannick Jadot - 15/12/2010*

# Employment



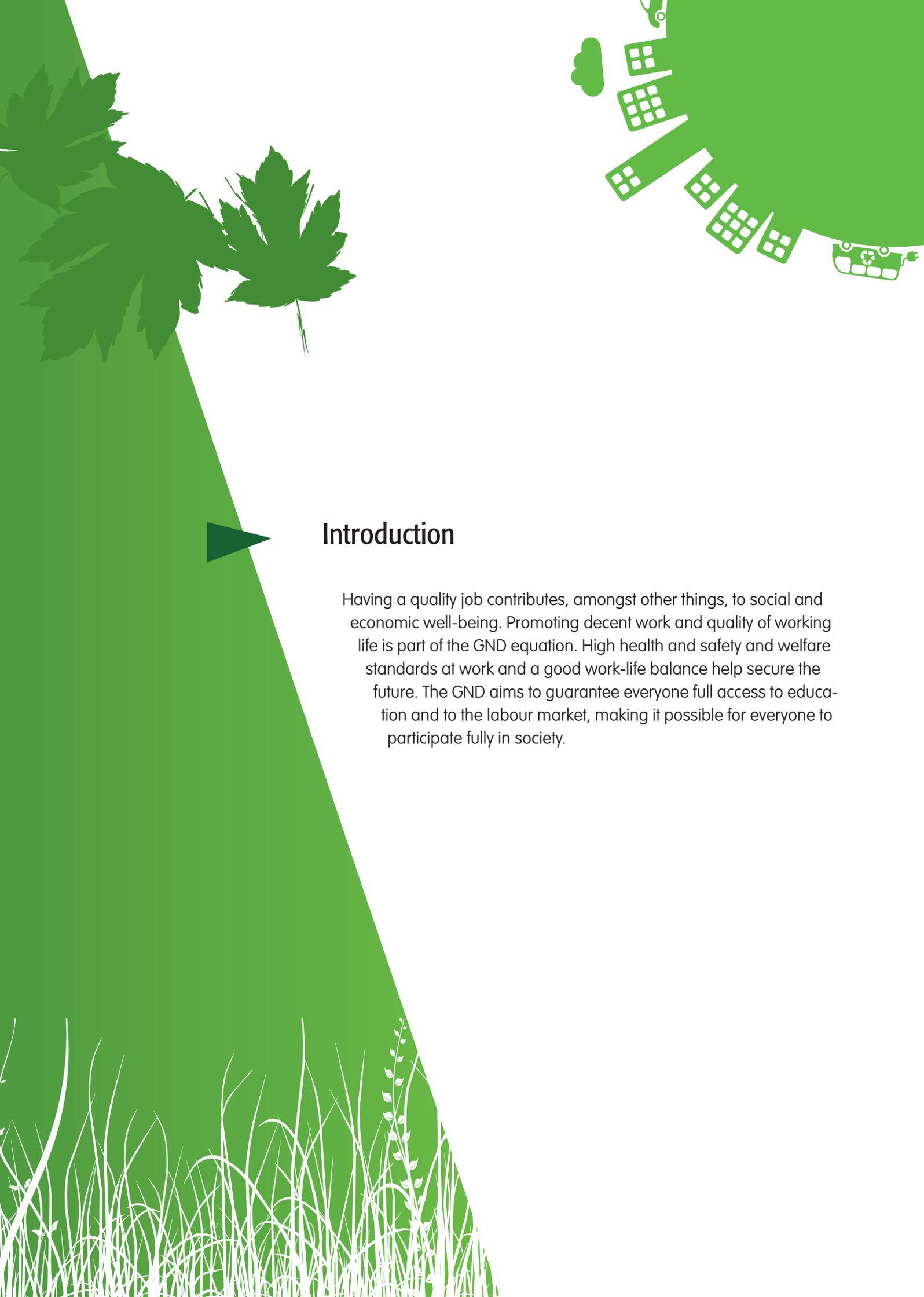
*«The Greens have long advocated that Europe commit to a true Green New Deal, speeding up the transition to the green economy as the only viable response to the current economic crisis.»*

*Elisabeth Schroedter, 07/07/2010*



 [Other languages](#)





## Introduction

Having a quality job contributes, amongst other things, to social and economic well-being. Promoting decent work and quality of working life is part of the GND equation. High health and safety and welfare standards at work and a good work-life balance help secure the future. The GND aims to guarantee everyone full access to education and to the labour market, making it possible for everyone to participate fully in society.



## WHAT WE WANT

The GND calls amongst other things, for:

- Better use of existing funds for adapting skills, training and retraining of workers, particularly women, to equip them with the necessary skills for green jobs.
- A proper shift to green jobs, ensuring these new jobs are decent and workers and unemployment people get adequate training.
- Setting ambitious environmental standards and financial incentives to stimulate the shift to production of sustainable goods.
- A framework directive on minimum income as a crucial step to tackling poverty in Europe.
- A European Youth Guarantee, securing the right of every young person in the EU to be offered a job, an apprenticeship, additional training or combined work and training after a maximum period of 4 months' unemployment.



## WHAT WE DID

In 2010, the working group adopted a [policy paper](#) on the employment dimension of the Green New Deal.

Elisabeth Schroedter (MEP) and Reinhard Bütikofer (MEP) organised a conference entitled [Green Jobs - Decent Work!](#) It aimed at defining how to ensure good working conditions in the new sustainable economy and a socially just transformation. It was divided in two panels dedicated to green quality jobs and to the Green New Deal and decent work.

[Programme and conference documentation](#)

We organised a workshop on energy grids in June, getting input from experts on energy infrastructure and demand side management and discussing how to achieve GND renewable energy targets.



## IN THE EUROPEAN PARLIAMENT

In 2010, the Greens led the European Parliament to clearly recognise and develop a central aspect of the Green New Deal: the transformation to a sustainable economy, socially just and geared towards tackling climate change goes hand in hand with the creation of new green jobs and greening of existing jobs. All political families across the board recognised that any job contributing to environmental protection is a green job.

By adopting the report of German Green MEP Elisabeth Schroedter on [developing the job potential of a new sustainable economy](#), the European Parliament gave a strong definition to the word «green» when relating to jobs, training, skill adaptation or decent work, going beyond a simple colour code.

Main points of the report:

- All jobs are green jobs or can be greened.
- Transition towards a green economy - Europe needs to take the lead on tackling climate change.
- Special attention needs to be paid to decent work and employees' health and safety.
- Socially just transition, with adequate training for new skills and adaption of existing skills that profits all.
- Green employee representatives, so that workers have a participative partnership role to play in the process.
- Funds - increased sustainability should be inserted into the financial perspective of various funds.
- Gender dimension - targets must be established to achieve equal participation of women and men, to provide equal opportunities to education, training, targeted recruitment schemes

[Full report](#)



# Employment

## YOUTH INITIATIVE

By voting on Danish Green MEP Emilie Turunen's report, the European Parliament called for strong initiatives to promote youth access to the labour market.

*« It is high time to act. Today more than 5.5 million young people under 25 are unemployed. We risk losing a generation to social exclusion while gambling with the economic and social future of the EU. »*

*Emilie Turunen 06/07/2010*

 [Emilie Turunen - 05/07/2010](#)

The report calls for:

- A European Youth Guarantee securing the right of every young person in the EU to be offered a job, an apprenticeship, additional training or combined work and training after a maximum period of 4 months' unemployment.
- A European Quality Charter on Internships that sets out minimum standards for internships.
- An expansion of the European Social Fund and an earmarking of a minimum of 10 % of this fund for projects targeting young people.
- A permanent EU youth taskforce to monitor developments on youth employment, enable cross-section policies, share best practice examples and initiate new policies.
- A non-discriminatory policy towards young people.

[Full report](#)

## MINIMUM INCOME SCHEMES

The Greens believe that a European Framework Directive on minimum income would be a crucial step to tackling poverty in Europe. The current blinkered focus on short-term austerity measures risks creating more serious economic and social problems in the long-term. Making the poor pay for a crisis they did not create through brutal cuts will only push greater numbers into poverty and that will benefit no-one. Poverty eradication must remain a key priority and this means focusing on active inclusion policies by promoting adequate income, an active labour market and quality public services.

The Greens organised a conference on [minimum income schemes](#) aimed at debating about barriers and gaps of minimum income schemes in the light national situations and explore what can be done at European level.

 [Conference video](#)  
[Conference documentation](#)

Green MEPs working in the Employment and Social Affairs Committee fought for an EU framework directive on adequate minimum income. This would have been a strong political legacy of the European Year for Combating Poverty and Social Exclusion. Although the report was voted, the Parliament's conservative majority managed to squeeze out the specific call for such a directive, missing the chance to create a real, concrete instrument to fight poverty.

[Full report](#)

*« We need to develop minimum income schemes so that everybody in the EU can live in dignity. »*

*Jean Lambert - 19/10/2010*

 [Jean Lambert - 19/10/2010](#)

*« We cannot continue to sit on our hands: 'the end of poverty' should no longer be a slogan but a reality. »*

*Karima Delli - 19/10/2010*

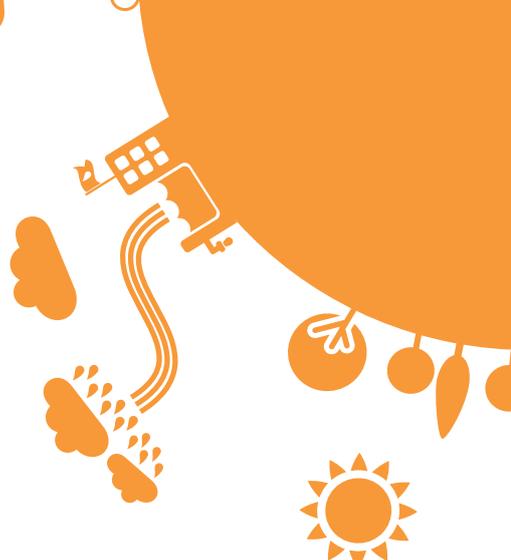
 [Karima Delli - 19/10/2010](#)

# Industry

*«In the context of a resource and climate-constrained world faced with an increasing global competition as well as a downward economic and social spiral, the future of European industry lies in its innovation capacity.»*

*Reinhard Bütikofer, 16/06/2010*





## Introduction

Industry is a central theme in the Green New Deal (GND), simply because it touches everything and everyone, from construction and manufacturing to chemicals and the energy sector. These industrial fields are vital to the global economy and employment but are simultaneously responsible for the majority of greenhouse gases and use an increasing amount of limited natural resources.

The GND aims to increase innovation and efficiency in the industrial sector be it in energy or in the use of resources as well as to promote a closed-loop system where products and materials are re-used and recycled. Ultimately, this aims to lower industry's carbon footprint, create a new wave of high-skilled and decent jobs that reduce unemployment and poverty, and prevent general environmental degradation. This would revive the economy, jolting it out of the current doldrums.

A modern and efficient industrial base running under a closed-loop system that creates and uses durable, environmentally-friendly products that can be re-used, recycled and remanufactured will be the key to sustainable development. This would create a competitive industry firmly rooted in the 21st century.

A Green New Deal for the EU's industry therefore aims to provide the right mid- to long-term political framework in order to shift the currently unsustainable mode of operation in Europe's industries to a sustainable one.





## WHAT WE WANT

The Green New Deal calls, amongst other things, for:

- An industrial policy approach that combines competitiveness, sustainability and decent work and which thereby stimulates the economy, boosts employment, reduces environmental degradation and improves the general quality of life.
- The establishment of a macro-economic framework and a financial and fiscal system that take into account the reality of resource scarcity and climatic change and aims to promote industry's future competitiveness.
- In connection with industrial (re)structuring operations, makes use of sectoral aid policy to strengthen innovation and roll-out of sustainable products, while phasing out aid to unsustainable processes.
- Adopting targets to enhance EU's resource and energy efficiency, durability, recycling, reuse and remanufacturing and the development of close-loop industrial production systems.
- The setting of benchmarks and standards as strong drivers for promoting innovation and sustainable competitiveness in industrial sectors.
- Pursuing active energy savings policy and diversification towards sustainable, non-polluting and safe energy sources in major industrial sectors such as the transport and construction sectors.
- The use of public procurement as a powerful instrument for stimulating innovation and driving markets toward sustainable products and services.
- Providing instruments for fostering the development of eco-innovative SMEs as well as the development of eco-industrial parks.



## WHAT WE DID

In 2010, the Green New Deal working group commissioned a study - Securing Rare Earths - the role of a closed-loop industrial production system (Oeko Institute commissioned by Reinhard Bütikofer).

In 2009-2010, the working group adopted a policy paper that gives a number of recommendations for the ecological transformation of a number of crucial industrial sectors such as energy, manufacturing, buildings, transport and chemicals.



## IN THE EUROPEAN PARLIAMENT

In the 2010 report on innovation policy, Greens secured several key points. The scope of innovation policy is broadly defined. The text emphasises the need for non-technological innovation (innovation with a social value) and environmental innovations in the context of EU climate and energy goals. The report clearly states the important role played by eco-innovation, particularly in the context of raising resource efficiency. It also highlights the important role of innovation clusters, particularly knowledge clusters, in future EU innovation policy. The central role of SMEs, both as partners in value chains and as independent providers of innovative products, is largely acknowledged in the report. The notion of patent quality, as opposed to just patent cost, is put forward. The alternative use of patent policy (patent pooling, common patent platforms, and full rights licences), is mentioned for the first time ever in a European Parliament report. Last but not least, the report emphasises the need to for more attractive working conditions for researchers, with a specific mention to improve working conditions of female researchers. Greens still have reservations regarding the single patent court system, which the report mentions. A single patent system would not constitute a progress as such.

[Full report](#)





# Industry

## WHAT NOT TO DO

### Subsidies to coal mines

In December 2010, the European Parliament voted to further extend subsidies to uncompetitive coal mines, in conflict with economic, energy and climate interests. Under pressure from the European coal lobby, conservative MEPs voted to extend subsidies to 2018, even further than the initial Commission proposal (2014).

In the current budget crises, this move is not realistic. Not only is this a shocking waste of public money (subsidised coal represent only 5% of the European energy mix but costs 3 billion euros), but it doesn't address the legitimate concerns of coal workers about their future. This vote risks delaying the transformation towards a green economy, with a future energy sector based on energy efficiency and renewable energy, which will ensure the creation of thousands of new, sustainable jobs in former coal-producing regions.

The Greens managed to limit the damage by insisting that EU research towards coal-to-gas and coal-to-liquid be stopped, that the polluters pay principle be applied and that funds be made available for the re-training of coal workers.

As the EP is only consulted on this file, which means that these are only recommendations to the Council who decides by unanimous vote, the Greens are urging the Commission to play its role and defend the European general interest, against that of individual Member States and the coal lobby.

 **Philippe Lamberts**  
23/11/2010

 **Bas Eickhout**  
on Coal Exhibition

**German Green MEP Reinhard Bütikofer** had the lead to draft the industry committee's opinion on EU competition policy. It was clearly stated that competition policy should first benefit consumers. As SMEs are the backbone of industry, special attention was given to them. Due to the high cost of patent systems for SMEs, the opinion called for open innovation and knowledge commons for SMEs. The Greens' opinion stressed the need for an interconnected and well-functioning energy infrastructure to achieve security of supply and effective competition in the energy market. With regards to public procurement - a key element in competition policy - the Greens called for criteria for tenders to include social and environmental impacts, which would redirect competition towards innovation. The Greens regretted, however, lack of competition in the telecoms sector.

[Full opinion](#)

## INDUSTRIAL POLICY FOR EUROPE

Negotiations on a future industrial policy for Europe started positively in 2010. They will continue in 2011 and the Greens will be actively pushing for an innovative, competitive and sustainable industrial policy to achieve a Green New Deal.

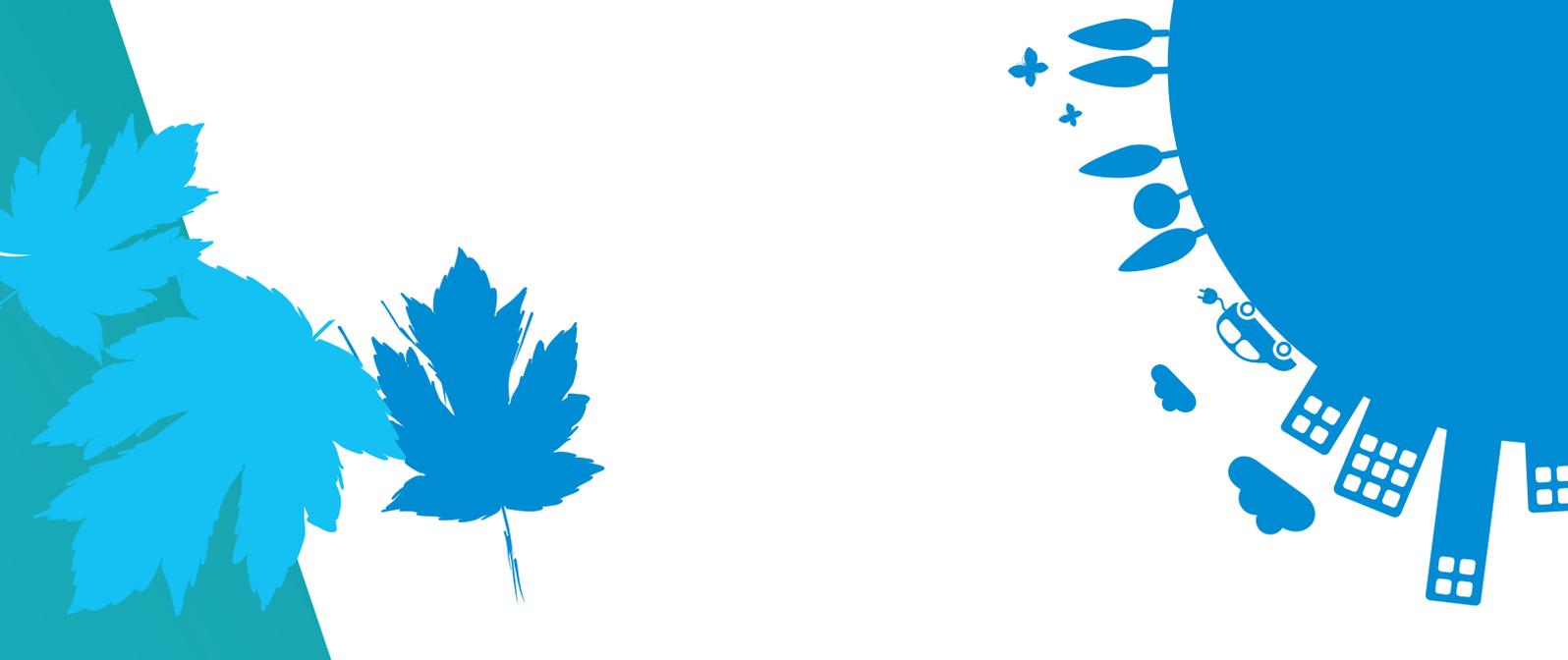
# Mobility



« Mobility issues can no longer remain purely technical and sector- or even mode-specific. Just as energy issues fortunately came to occupy more and more often the centre stage of European policy-making, mobility issues need to become one of the EU's key policy areas, at the crossroad of environmental, social and economical challenges. »

Isabelle Durant, 18/11/2010





## Introduction

Mobility is key to accessing jobs, services and facilities. It is consequently essential to economic prosperity, social inclusion and well-being, but the transport sector accounts for about 27% of all greenhouse gas emissions, as well as thousands of road deaths and hundreds of thousands of injuries a year. The «greening» of cars and planes is already under way, but it is happening too slowly and will in any case not be enough.

The car dependency culture can be changed by better urban planning, making cities more «walkable» and «cyclable», with strategically-placed public transport access and with sustainable, affordable, accessible and vastly-expanded public transport networks.



## WHAT WE WANT

The GND calls, amongst other things, for:

- Inclusion of aviation in global CO2 emissions targets and phasing out of aviation tax breaks brought in when the sector was new and climate change was unrecognised.
- Investment in credible, green, alternatives to flying, including better train connections for journeys under five hours to avoiding travel altogether, by using teleconferencing, among other means.
- Targets for electric mobility (electric cars, trams, trains or electric bicycles), and tougher CO2 emission limits.

- Implement the urban mobility action plan that was adopted in September.
- Define transport's place in the Europe 2020 strategy.
- Promote and fuel the development of a transport and climate «package» by the European Commission.

The working group also organised, in conjunction with Green MEPs in the Transport working group, a major conference on 18 November 2010 to hear the views and exchange ideas with operators, stakeholders, researchers, other MEPs and representatives of the European Commission on approaches and solutions to some of the most pressing challenges facing transport today.

The conference dealt mostly with existing and planned solutions to some of the most pressing problems facing the transport sector today, including its impact on climate change and the environment in general. It offered an opportunity to hear, from a number of distinguished speakers, very practical, factual and thought-provoking presentations of their organisation, initiatives and projects and of their views on how the EU's transport policy could help promote more sustainable practices in their field.

Participants discussed how to design and promote a more sustainable mobility and how to harness already existing tools and technologies more effectively. They also focused on how the EU's future transport policy could accelerate much needed progress in this field.

[Conference documentation](#)



## WHAT WE DID

Seizing the opportunity of new White Paper on the future of transport currently in preparation at the European Commission and of the on-going debate within the EP, the Green New Deal working group commissioned a study on the future of transport policy: A way to a more sustainable European transport policy (Pierre Radanne, commissioned by Isabelle Durant) – which will be published in English and French in the first months of 2011.

In addition to fuelling the Greens contribution to the upcoming Transport White Paper and to the debates held in the EP in its wake, this study is also meant to:

- Provide insights more generally on the main orientations a future European transport policy should take, for both passenger and freight transport, in the light of depleting fossil resources and the EU's objectives to reduce its carbon footprint.



# Mobility



## IN THE EUROPEAN PARLIAMENT

By voting in favour of the [Grosch report on a sustainable on the future for transport](#), Greens to put the question of how to achieve a modal shift towards more sustainable modes of transport back on the agenda of EU transport politics. Although transport accounts for a huge part of CO2 emissions, the conservative majority of Parliament voted against Green proposals to reduce emissions by 30% by 2020 in the entire transport sector. Green proposals to steer funding towards more sustainable transport modes were unfortunately dismissed. Instead, the EU wants to continue to back environmentally detrimental transport.

[Full report](#)

Green MEPs managed to get the Transport Committee to commission a study on «Economic Benefits of Sustainable Mobility», to be finalised before summer 2011.

Greens were instrumental in pushing key elements in an EP-resolution of 06 May 2010 on [electric mobility](#), underlining that the entire life-cycle of an electric vehicle should be considered for describing its environmental performance and electric mobility includes electric bikes, trams, railways and electric cars.

[Full report](#)



**STUDYDAY 18 november 2010, 9:00 > 17:00**  
European Parliament (Room ASP 103)

**Future of Transport**  
Reinventing the Wheel or Reinventing the Policy ?

The Greens - EFA  
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www.etopia.be

With the debate on the upcoming White Paper on the Future of Transport fast approaching, this conference is your chance to hear the views and exchange ideas with other operators, stakeholders, researchers, MEPs and representatives of the European Commission on approaches and solutions to some of the most pressing challenges facing transport today. How to design and promote a more sustainable mobility? How to more effectively harness already existing tools and technologies? How can the EU's future transport policy accelerate much needed progress in this domain?

**ISABELLE DURANT**, Vice-president of the European Parliament  
and member of the Committee on Transport and Tourism

**PROGRAMME OUTLINE**

- 9:00 INTRODUCTION
- 9:30 MOBILITY AND TRANSPORT IN THE 21ST CENTURY :  
Stakes, challenges and opportunities
- 10:00 THE RISE AND RUN OF HOMO SAPIENS ECOMOBILIS  
Optimizing and modernizing existing passenger transport modes
- 11:15 NEW PARADIGMS, NEW MODELS, NEW ALLIANCES FOR A NEW MOBILITY  
Systemic and multi-modal perspectives on people mobility
- 12:30 LUNCH BREAK - BUFFET
- 13:30 TOWARDS A SEAMLESS, DEPENDABLE AND CLEAN FREIGHT TRANSPORT SYSTEM  
Long-distance freight transport and logistics
- 14:45 LAST MILE, BUT NOT LEAST!  
Goods distribution and city logistics
- 16:00 EXCHANGE OF VIEWS WITH THE EUROPEAN COMMISSION  
on the upcoming White paper on the future of transport
- 16:30 CONCLUSIONS

PLEASE BOOK A SEAT AS SOON AS POSSIBLE FOR THIS EVENT BY SENDING A MAIL WITH YOUR FIRST NAME, FAMILY NAME, DATE OF BIRTH AND CITY OF RESIDENCE TO : [GREENS.FUTUREOFTRANSPORT@EUROPARL.EUROPA.EU](mailto:GREENS.FUTUREOFTRANSPORT@EUROPARL.EUROPA.EU)

# Green economy

*«By referring to the need to develop new indicators which go beyond GDP, the EP gives a clear signal that 'economic recovery' must not be based on a 'business as usual approach', which is in line with our request to develop a 'Green New Deal'»*

*Pascal Canfin - 08/10/2009*





## Introduction

The implementation of the Green New Deal calls for a new direction of economic policy aimed at reducing our ecological footprint and improving quality of life for all. Redefining objectives of economic policy will bring forward major changes in our economic system which implies new tools and indicators to steer and evaluate policies. As we are to put people and the planet first, the implications for budgetary and monetary policies at national, European and global levels are huge.

This new macro-economic framework must be based on two essential foundations in order to change our system from unstable and unfair to sustainable and socially just. First, we advocate for much stronger financial regulation, since deregulated financial markets have proven to be socially and environmentally blind. Second, a fairer system of taxation is needed in order to ensure redistribution of wealth. We need to raise revenues from capital and natural resources, to shift away the burden on labour and to allow investments in the transformation of our economy towards sustainability. For lots of key measures (tax heavens, corporate taxes, financial transaction tax, eurobonds, etc.), there is a urgent need for harmonisation at EU level.



## WHAT WE WANT

The GND calls, amongst other things, for:

- Progressive eco-taxes, Eurobonds, a progressive bank levy as well as a tax on financial transactions to finance the transformation of economies and to limit the tax burden on labour.
- A strong and coordinated fight against tax heavens and tax evasion.
- The integration of environmental and resources limits in macro-economics policy making.
- Deeper coordination of fiscal and macroeconomic policies within the EU, for a sustainable development model, wellbeing for all, respecting the limits of its physical environment and in a socially just way.
- A common European tax policy to achieve a just European economic model



## WHAT WE DID

The working group adopted a policy paper on the macro-economic and financial framework of the Green New Deal. This policy paper describes our analysis of the failures of the current economic system and our solutions to create a fair and sustainable one. Amongst other things, it gives an overview of our proposals for financial regulation and economic governance at European and global level.

In 2010, we commissioned an Econometric study modelling the impact of a Green New Deal (OFCE, commissioned by Pascal Canfin, ongoing).

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The study will enable the definition of the financial and economic conditions necessary if we want to sustain our economic system within the environmental constraints (or how to decouple GDP and CO2 emissions). It will answer questions such as: Which amount of capital must be raised to lower GDP's

energy intensity sufficiently by 2050? Is a global increase of GDP by 2% a year until 2050 compatible with climate objectives and fossil resources projections?

We also commissioned a study on Financing the Green New Deal (Re-Define OFCE, commissioned by Philippe Lamberts, ongoing).

This study is seeking to answer a crucial question often raised: How to finance the GND concretely? It will clarify how to mobilise public and private financing for the transformation of our economy, the possible tools and mechanisms, the difficulties and possibilities.

## EUROPEAN ECONOMIC GOVERNANCE: NEW RULES TO ENSURE SOLIDARITY AND PREVENT THE EUROZONE FROM BLOWING UP

The Green New Deal will only work in the EU if the system is economically stable and socially fair. The ongoing Eurozone crisis and events in Greece and Ireland have called for reframing the rules of the European economic governance. Greens are currently actively participating in the negotiations for setting this new framework. Greens advocate solutions that tackle all macro-economic imbalances, deficits but also surpluses. Public, but also private debt must be taken into account. Sustainable finances are essential but this will not be solved by austerity measures only. We need to tackle the income side and raise new revenues to reach a sustainable balance. New factors, such as social and environmental ones have to be part of the new economic governance of the EU. As Greens we want to put forward the principle of solidarity between European nations, as we have shown during the Greek crisis.

[A Pact for Sustainable Prosperity](#)

[Green proposal for a comprehensive emergency response to the Eurozone Crisis](#)

[The details of the principles and measures we are proposing to reform economic governance in the EU](#)

 Michalis Tremopoulos



# Green economy



## IN THE EUROPEAN PARLIAMENT

If the crisis exploded so brutally and so quickly, it is largely because of the lack of cooperation between national banking supervisors and very limited powers of the EU. Risks were not detected, and when the crisis broke out, national supervisors were often not capable of acting. In cross border cases, cooperation between national supervisors was very poor. To avoid future financial crises, the European Parliament voted legislation for a new European System of Financial Supervisors. Greens were instrumental in giving the new EU watchdog direct and binding powers over national regulators and individual financial firms. The new European authority can now intervene when national supervisors are not doing their job or disagree as to how to deal with a particular cross-border institution. On top of this, Greens are pushing for a ban on toxic financial products or transactions at EU level such as naked short selling (when a person or firm sells financial products to another without even owning or borrowing them). This paved the way for consistent EU action against speculation.

## CONTROLLING BONUSES

The «bonus culture» in the banking sector is largely responsible for traders' excessive risk-taking and dangerous speculation, which contributed to a large extent to the current crisis. The European Parliament voted a [report](#) limiting and regulating big bonuses. Greens were pushing for tougher rules, but the ones accepted are still the toughest at global level. A set of measures will deter banks from taking excessive risks and make sure they first lend money to the real economy rather save it for perks and bonuses. These new rules will also require bailed out banks to repay their loans (coming from taxpayers) as a priority. Bonuses will be capped, not

*«The new EU supervisory agencies are a big step towards controlling risks at the EU level, but with time more powers and resources will have to be transferred to make sure the system works in the long run. Member states will have to realise this sooner rather than later».*

*Sven Giegold*

guaranteed and awarded on the basis of long-term performance. «Golden parachutes» will no longer be awarded in case of failures.

[Full report](#)

## HEDGE FUNDS

Hedge funds are lightly regulated investment funds, usually open to a limited (and wealthy) group of investors. They invest in very diverse activities, with the sole objective of making big profits quickly, using many methods but mostly notably short selling and derivatives (both highly questionable as they increase speculation). Greens were able to reinforce the EP position on hedge funds, but resistance by Member States like the UK - backed and influenced by a powerful lobby - meant that the overall compromise left too many loopholes for speculation to continue to thrive. Therefore, the Greens voted against this report.

[Full report](#)

# vision

*«The time for excuses is over, it is now time to act for a sustainable economy. Only comprehensive reform will do it, simply re-enforcing sanctions will not get Europe out of the crisis.»*

*Philippe Lamberts, 22/06/2010*



 [Other languages](#)



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## Introduction

The GND is not a quick-fix solution but is aiming at tackling the roots of the systemic crises we are facing by proposing a long-term project for transforming our society. Changing our model implies rethinking the references, objectives and indicators we use. Going beyond the infinite quest for growth and dropping the obsession with GDP is one angle to look at.

The key question we face is how can we adapt our behaviours and lifestyles so as to reduce our carbon footprint on the planet while simultaneously promoting equity and improving quality of life for all.

The Green New Deal implies moving away from a narrow vision of economic growth to a broader understanding of prosperity.

More concretely, at EU level, we have been active in pushing this comprehensive vision by influencing on the content of the EU2020 strategy.

Europe 2020 is a ten-year strategy proposed by the European Commission aiming to achieve «smart, sustainable and inclusive growth» in the EU, with greater coordination of national and European policy. It follows the Lisbon Strategy, launched in 2000, which failed in making Europe the most competitive economy in the world and achieving full employment.

From a Greens perspective, the main problem with this supposedly new strategy was that it proposed much of the same thing, with attempts to green some aspects of it, but essentially the end objective - more growth yet again - would only lead Europe deeper into the crisis. The Greens could not accept a strategy with such a flawed objective which would determine policy for the next decade.





## WHAT WE PROPOSE

- The recognition and promotion of common goods and strong income redistribution.
- Reducing inequalities by a strong redistribution of wealth and anti-discrimination measures, including gender.
- Combining public incentives, private investments and individual initiatives to enforce the transformation at all levels.
- New models of exchanging and consuming outside the market and enhancing living together at local level e.g. LETS, car-sharing schemes, etc.
- A development model that accepts the existing physical limits of the Planet and doesn't rely on the exploitation of the poor and the Planet.
- A financial system that supports the real economy, itself geared towards the well-being of people and the environment.
- A better work-life balance in which men and women equally share responsibilities in all areas of society.
- A fairer use of space through a re-localisation of a number of activities.
- Reclaiming time: against shareholder value, to reach a balance between different aspects of our lives.



## WHAT WE DID

In 2010, the working group adopted a paper explaining the vision and reasons why we need a Green New Deal.

**In March**, the Green New Deal working group organised a public conference - [Europe 2020 Agenda, a path or barrier to the Green New Deal?](#) The aim was to analyse the «sustainability» of the Europe 2020 Strategy with key speakers from the green technologies sector, and public and private investment sector.

The afternoon saw a debate between [Tim Jackson](#) and Bernd Meyer on the key question: Is growth (even if it's green) sustainable?

**In April**, we organised a multilateral meeting with all stakeholders (Greens/EFA MEPs, MEPs from other political groups and Spring Alliance partners - Building alliances for a successful EU 2020 Strategy. An alliance was formed and we managed to work towards a new text and influence the agenda.

**A GREENS/EFA CONFERENCE**  
**EUROPE 2020 AGENDA**  
a path or barrier to the  
**GREEN NEW DEAL?**

PHOTO CREDIT: UDO WEBER **9.30 - 17.00 - EUROPEAN PARLIAMENT, BRUSSELS - ROOM ASP 163**  
**WEDNESDAY 3 MARCH 2010**  
**CONTACT: JEAN-BERNARD.PIERINI@EUROPARL.EUROPA.EU**

The Greens | EFA  
in the European Parliament



# vision

**In June**, MEPs and staff held a meeting with [Eurostat](#) (hyperlink below) Director Walter Radermacher to discuss alternative indicators to GDP with the aim of examining the technical and political feasibility to complement or replace GDP with social and environmental indicators, including non-monetary ones.

The working group produced a paper exploring various [alternative indicators for the Green New Deal](#).

During a public workshop in September, Canadian economist [Peter Victor](#) explained his theory that society can manage without growth. He presented his very original model starting from the economy as a sub-system of the biosphere, and therefore giving us keys to bring forward a fair and sustainable model.

## IN THE EUROPEAN PARLIAMENT

On 16 June 2010, the European Parliament largely adopted a [resolution on Europe 2020](#), with key Green elements such as an ambitious green jobs strategy, a new agenda to promote decent work, key demands related to poverty eradication, as well as several binding targets to fight climate change (30% domestic greenhouse gas reduction target for 2020, a resource-efficiency improvement target, a 20% reduction target for energy consumption and an increase in the share of renewable energies to at least 20% by 2020).

[Full report](#)

## Resolutions on EU2020 and economic governance Adopted 16 June 2010

As this was a common resolution, including the views of the Parliament's conservative majority, it was not as strong as what we had originally proposed. The Greens' text included our long-term vision for EU, or what the EU2020 would have looked like if the Greens were in majority.

[Green resolution](#)

# THE GREEN NEW DEAL

Also available online as fluidbooks on  
[www.greens-efa.eu](http://www.greens-efa.eu)

This publication has been produced by the Green New Deal Working Group (GND WG) of the Greens/EFA Group in the European Parliament, under the coordination of Philippe Lamberts and Claude Turmes.

Editor: Jean-Bernard Pierini

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March 2010

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