

For immediate release

## Generation Climate Europe calls on EU officials to rethink the pursuit of economic growth in light of the Paris Agreement

- The European Green Deal, EU's "new growth strategy" aims at creating "economic growth decoupled from resource use".
- The EU Commission has failed to show how to achieve it, and scientific evidence demonstrates the incompatibility between the pursuit of economic growth and the adherence to the EU's climate targets.
- In the context of Europe's recovery from COVID-19, Generation Climate Europe aligns with WWF in demanding an urgent systemic rethink of growth indicators beyond GDP, measuring quality of life, well-being, health, action on climate change and nature degradation.<sup>2</sup>

**Brussels, March 1st, 2021** - Generation Climate Europe (GCE), the largest coalition of EU youth-led NGOs advocating on climate and environmental issues, is criticizing this Commission's approach to the fight against climate change.

In an open letter to President Von der Leyen and eight Commissioners, Generation Climate Europe highlights that the findings of a recently published briefing by the European Environmental Agency (EEA) contradict the European Green Deal growth plans. The paper, titled "Growth Without Economic Growth", reveals indeed that "full decoupling of economic growth and resource consumption may not be possible". Further researches confirm this assertion supported by a growing body of empirical studies dating back to the mid-late 20th century.<sup>3</sup>

The EEA's briefing insists that other economic models are possible. "The fundamental values of the EU are human dignity, freedom, democracy, equality and the rule of law, and they cannot be reduced to or substituted by an increase in GDP." With the Sustainable Development Goals adopted five years ago by the United Nations, the EU has an existing framework to create a well-being economy based on a just, socially inclusive recovery, which respects the limits of our planet.

<sup>&</sup>lt;sup>1</sup> Communication from the Commission - The European Green Deal (2019), European Commission <a href="https://eur-lex.europa.eu/legal-content/EN/TXT/?qid=1596443911913&uri=CELEX:52019DC0640#document2">https://eur-lex.europa.eu/legal-content/EN/TXT/?qid=1596443911913&uri=CELEX:52019DC0640#document2</a>

<sup>&</sup>lt;sup>2</sup> Towards an EU Wellbeing Economy - A fairer, more sustainable Europe post Covid-19 (2020), WWF EU https://www.wwf.eu/?875891/Towards-an-EU-Wellbeing-Economy---A-fairer-more-sustainable-Europe-post-Covid-19

<sup>&</sup>lt;sup>3</sup> A systematic review of the evidence on decoupling of GDP, resource use and GHG emissions, part II: synthesizing the insights (2020), Haberl et al. <a href="https://iopscience.iop.org/article/10.1088/1748-9326/ab842a/meta#erlab842abib153">https://iopscience.iop.org/article/10.1088/1748-9326/ab842a/meta#erlab842abib153</a> and Drivers of declining CO2 emissions in industrial countries (2019), Le Quéré et al <a href="https://pure.iiasa.ac.at/id/eprint/15783/1/LeQuere NatureCC">https://pure.iiasa.ac.at/id/eprint/15783/1/LeQuere NatureCC</a> post-print manuscript.pdf

"The Commission's landmark recovery package for Europe is an impressive instrument to tackle the consequences of the pandemic, and we warmly welcome the commitment to align recovery measures with the ambitions of the European Green Deal. But the Commission has now a unique opportunity to carefully consider the primary economic objectives of Europe, and whether the existing European economic model centered around GDP is fit to ensure human and ecological well-being, as well as long-term resilience." - says Timothee Galvaire, a spokesperson for GCE.

## The Demands of the European Youth

In its open letter, GCE asked the European Commission to:

- 1. Acknowledge the fact that meeting the objectives of the Paris Agreement and of the European Green Deal requires systemic change beyond "green growth". Although the TFEU states that "The Union aims at achieving balanced economic growth", its pursuit must not come at the expense of the Earth's balanced climate. The Commission's proposals and acts need to lead to the phase-out of unsustainable economic production and consumption. As the EEA suggests, "doughnut economics, post-growth and degrowth are alternatives to mainstream conceptions of economic growth".
- 2. Adopt a systemic approach to measure physical and psychological well-being, quality of life, and European GHG footprint, against our carbon neutrality and biodiversity objectives. As a start the Commission should build upon work done as part of its "GDP and Beyond" programme that recognised in a communication that "GDP cannot be relied upon to inform policy debates on all issues... [as it does] not measure environmental sustainability or social inclusion and these limitations need to be taken into account when using it in policy analysis and debates".<sup>5</sup>
- 3. Use the upcoming Trade Review to highlight Europe's global impact on climate, from territorial emissions to consumption-based indicators. Trade measures such as the CBAM, alongside product standards for embodied carbon that are applied to all products on the European market, must address emissions embedded in imports and final consumption. The EU must also use its economic and diplomatic weight to encourage a radical shift in global trade policies within the context of the WTO to ensure they support, and not hinder, global climate policy. Given the lack of data, the Commission must provide information on the EU's GHG emissions embodied in imports to the EU, as well as those embodied in our exports. Moreover, goods and services offered in the EU should display an estimated carbon footprint compared to a Paris-compatible carbon budget to encourage behavioural shifts.

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## **About Generation Climate Europe**

Generation Climate Europe, the largest coalition of youth-led NGOs advocating on climate and environmental issues at European level, we represent 460 national organisations from all EU Member States and over 20 million young citizens.

## About the open letter sent to the European Commission

You can find the full version of the letter here, and its annexes with all references here.

<sup>&</sup>lt;sup>4</sup> Treaty on the Functioning of the European Union https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:12016ME/TXT&from=EN

<sup>&</sup>lt;sup>5</sup> Communication from the Commission to the Council and the European Parliament - GDP and beyond : measuring progress in a changing world /\* COM/2009/0433 final