

IMEC

# EU Quarterly Report

Q2 2024

logos

earn trust.  
make change.

# Content

1. **Cyber Resilience Act (CRA)**
2. **Ecodesign Regulation**
3. **REACH Revision**
4. **Regulation on the Classification, Labelling and Packaging of Chemicals (CLP)**
5. **Net-Zero Industry Act (NZIA)**
6. **Packaging and Packaging Waste Regulation**
7. **Carbon Border Adjustment Mechanism (CBAM)**
8. **Ocean governance**
9. **European elections**

# Glossary of EU terms

**Council of the European Union:** One of the two co-legislative bodies of the EU (together with the European Parliament), made of the 27 EU Member State governments (represented by Member State Ministers). It adopts laws by co-decision with the European Parliament.

**COREPER:** Preparatory body of the Council, made up of Member States' Permanent Representatives to the EU.

**EU Directive:** EU law which has to be transposed into national law for its implementation.

**EU Regulation:** EU law which applies directly upon its adoption, without the need for transposition into national law.

**European Commission:** Executive body of the EU, in charge of proposing laws.

**European Parliament:** One of the two co-legislative bodies of the EU (together with the Council of the EU), made of elected MEPs (Members of the European Parliament). It adopts laws by co-decision with the Council of the EU.

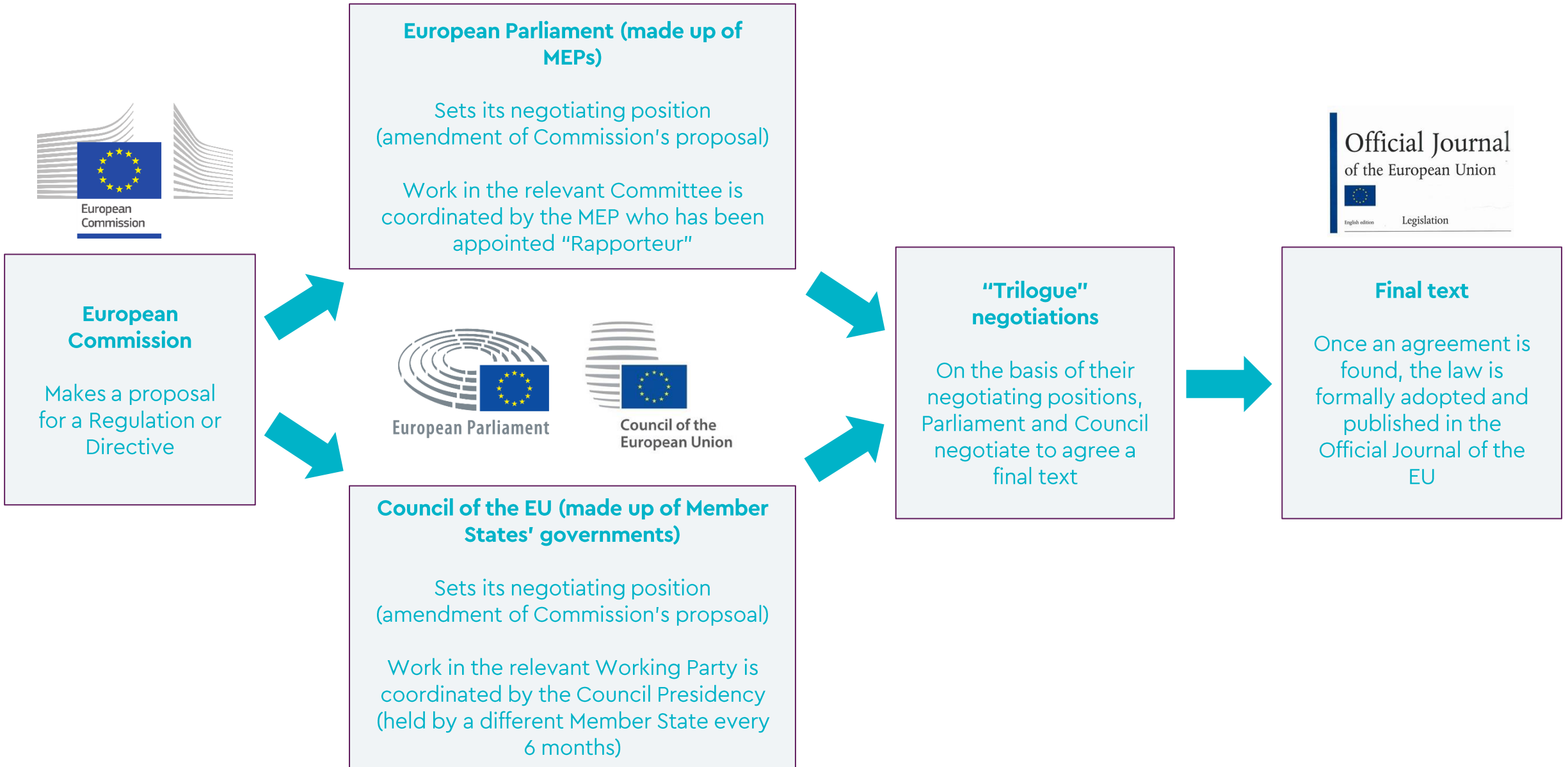
**European Parliament Committees:** Committees of MEPs, organised by policy area, which deal with specific proposals before they are adopted by the European Parliament plenary, e.g. ENVI Committee (Environment, Public Health and Food Safety), TRAN Committee (Transport and Tourism), IMCO Committee (Internal Market and Consumer Protection), ITRE Committee (Industry, Research and Energy).

**Rapporteur:** MEP in charge of coordinating the work for a specific proposal within a European Parliament Committee.

**Trilogue:** Negotiation between the European Parliament and the Council, also attended by the Commission, which aims at reaching an agreement on the final text of a proposal.

**Working Parties:** Preparatory bodies of the Council (below COREPER level) made up of Member State officials dealing with a specific policy area. There are over 100 Working Parties.

# Reminder on EU policy-making process



# 1. Cyber Resilience Act (CRA)

## Background:

- The Commission released its [proposal](#) for a Regulation on horizontal cybersecurity requirements for products with digital elements (Cyber Resilience Act) on 15 September 2022. The Parliament and the Council reached a [provisional agreement](#) on 30 November 2023.
- The law sets rules for the making available on the market of products with digital elements, in order to ensure their cybersecurity. It sets essential requirements for their design, development and production, as well as essential requirements for the vulnerability-handling processes put in place by the manufacturer. In particular:
  - Manufacturers must comply with requirements set out in the Annex I.
  - Manufacturers must carry out cybersecurity risk assessments, issue declarations of conformity, and cooperate with competent authorities.
  - A market surveillance framework is put in place to enforce the rules.
  - Manufacturers must report significant cybersecurity incidents to national authorities within 24 hours of becoming aware of them.
  - Manufacturers must provide clear and comprehensive documentation about the cybersecurity features of their products (required information and instructions for the user are found in Annex III).
  - Manufacturers must scrutinise the supply chain for potential cybersecurity risks.
  - Digital products must be supported for at least five years (unless they have a shorter expected lifetime).
  - There would be support measures for small and micro enterprises (e.g. awareness-raising and support for testing).

# 1. Cyber Resilience Act (CRA)

## Latest developments:

- Following the agreement of a final text between Parliament and Council on 30 November 2023, the formal procedure for adoption began. The Parliament's plenary adopted the text as Parliament's [first reading](#) on 12 March 2024 (see [press release](#)).
- Due to the European elections which took place in June 2024, the Parliament voted on the first reading of the law before the last plenary session of the legislative term (which took place in April), in order to leave the law adopted before the dissolution of the chamber. This meant that lawyer-linguists were not yet able to check the text. The legal-linguistic check is going on at the moment, and once it is done, the new European Parliament plenary will adopt a corrigendum to the first reading. This is expected in September or October, and would be followed by the Council's approval of the law.

# 1. Cyber Resilience Act (CRA)

## Next steps:

- The corrigendum procedure in Parliament is expected to finish in September or October 2024, adjusting the Parliament's first reading in accordance with the legal-linguistic check. Then, the Council will vote on the law. This means that the law will be published in the Official Journal and will enter into force in November or December 2024.
- The main requirements would kick in 3 years after entry into force. This would be by late 2027. The manufacturer reporting obligation would apply 1 year after entry into force.

# 2. Ecodesign Regulation

## Background (I):

- The Ecodesign Directive ([2009/125](#)) establishes a framework for minimum ecodesign requirements that goods which consume energy must meet before they can be used or sold (does not apply to transport).
- Proposal for an Ecodesign Regulation ([March 2022](#)) to replace the Directive:
  - Extension of scope: the Regulation will apply to all physical goods placed on the market. Nonetheless, ecodesign requirements will be set out through future Delegated Acts for specific products.
  - General ecodesign requirements:
    - Product durability, reliability, reusability and reparability.
    - Energy use or energy efficiency.
    - Resource use or resource efficiency.
  - Information and labelling requirements: Digital Product Passport.
- Based on the [report](#) from the Joint Research Centre (JRC), the Commission published on 31 January 2023 the proposed [draft](#) list of priority products to be regulated through future Delegated Acts:
  - 12 end-use products: textiles and footwear, furniture, ceramic products, tyres, detergents, bed mattresses, lubricants, paints and varnishes, cosmetic products, toys, fishing nets and gears and absorbent hygiene products.
  - 7 intermediary products: iron and steel, non-ferrous metals, aluminium, chemicals, plastic and polymers, paper, pulp paper and boards, glass.
  - 3 horizontal measures: durability, recyclability and post-consumer recycled content.



# 2. Ecodesign Regulation

## Background (II):

- On 4 December 2023, the co-legislators (the Parliament and the Council) reached a [provisional agreement](#) during the third trilogue. The agreed text includes the following provisions:
  - The scope includes all physical goods that are placed on the market or put into service except motor vehicles.
  - Extension of ecodesign requirements to include the presence of chemical substances that inhibit reuse and recycling of materials.
  - Agreement with the possibility for the Commission to adopt Delegated Acts establishing ecodesign requirements for specific products. The date of application of the delegated act cannot be shorter than 18 months from its entry into (except special circumstances).
  - Establishment of a public web portal accompanying the Digital Product Passport. It would allow consumers to search and compare information included in the passports.
  - Regarding the first working plan to set out priority criteria for products to be regulated by Delegated Acts:
    - It must be adopted within 9 months of the entry into force of the Regulation.
    - Inclusion of a list of priority products: textiles (notably garments and footwear), furniture, tyres, detergents, paints, lubricants, chemicals, iron, steel and aluminium, as well as energy-related products, ICT products and other electronics - plastics are not mentioned.
  - Harmonisation criteria for penalties. However, Member States will be responsible for determining which penalties should be imposed.

## 2. Ecodesign Regulation

### Latest developments:

- On 24 April 2024, the European Parliament adopted the law with 455 votes in favour, 99 against, and 54 abstentions. As no plenary amendments were tabled, the adopted text reflects the content of the provisional agreement.
- On 27 May 2024, the Council adopted the law too with only Italy abstaining.

### Next steps:

- The Regulation will be published in the Official Journal in the coming weeks.
- Around March 2025, the first working plan that will set out the prioritised products and their Ecodesign requirements will be adopted. 18 Delegated Acts are expected to be published between 2024 and 2027, and 12 Delegated Acts between 2028 and 2030 to indicate specific product requirements. Textiles and steel should be the subjects of the first delegated acts by the end of 2025, entering into force mid-2027.
- By 2026, Member States will have to implement the law.

# 3. REACH Regulation

## Background (I):

- The REACH Regulation ([1907/2006](#)) establishes provisions on the registration, evaluation, authorisation and restriction of chemicals produced, imported, sold and used in the EU, and sets up the European Chemicals Agency (ECHA).
- The Commission's 2020 Chemicals Strategy for Sustainability announced the revision of the Regulation. The Commission is currently working on the revision proposal. Key aspects of the revision include:
  - Increased information/registration requirements (e.g. info on hazardous substances, registration of polymers of concern, possible info on environmental footprint).
  - Better information along the supply chain (e.g. better eSDS).
  - Reform of authorisation and restriction processes (e.g. generic risk management approach for most harmful substances (ED, PBT, vPvB), "essential use" derogations).
  - Essential use concept for derogations from restriction:
    - Industries themselves would have to prove that the use of a substance is essential (i.e. necessary for health, safety or functioning of society, and no viable alternative). A Committee of Member States could evaluate the proof submitted by a company that a substance is essential – but final decision with the Commission. The concept will be developed in a specific non-legislative document.
  - Mixture assessment factor (MAF) to account for so-called "cocktail" effect of mixing substances.
- According to the 2023 Commission Work Programme, the REACH revision proposal was scheduled for release in Q4 2023. However, the release has been postponed and the date of its publication remains unclear.

# 3. REACH Regulation

## Background (III):

- On 7 February 2024, the ECHA launched a [call for evidence](#) on aromatic brominated substances and published a [background document](#). The call for evidence is based on the Commission's request for ECHA to prepare an Investigation Report on brominated flame retardants, which would support to decide whether to request ECHA to prepare a restriction dossier.
- On 21 February 2024, the ECHA published a [screening report](#) to assess whether the placing on the market of 4-OPnEO and 4-NPnEO should be restricted. According to the screening report, the requirements to prepare a dossier for restriction on all or selected uses of 4-OPnEO and 4-NPnEO are met.
- On 13 March 2024, the ECHA released a [press release](#) outlining how its two scientific committees will progress in evaluating the [proposal](#) to restrict PFAS in Europe. The proposed restriction will be evaluated together with the comments from the consultation in batches, focusing on the different sectors that may be affected. In tandem, the five national authorities who prepared the proposal, are updating their initial report to address the consultation comments. This updated report will be assessed by the committees and will serve as the foundation for their opinions. Limiting PFAS will drive the need for alternative materials, potentially increasing research and development costs and possibly altering the performance of boating products. Companies will have to ensure compliance with new regulations, which may involve additional testing and certification processes.

# 3. REACH Regulation

## Latest developments:

- The call for evidence on aromatic [brominated substances](#) ended on 5 April 2024.
- On 5 June 2024, the ECHA launched a second [call](#) for evidence (uses and alternatives) on certain hexavalent chromium substances to support the preparation of a restriction proposal. The call is open until 15 August 2024.
- On 18 April 2024, the European Environment Agency (EEA) and the European Chemicals Agency (ECHA) published a joint [Report](#) calling for more regulatory measures for safer chemicals. The report outlines the strategy to achieve a toxic-free environment by monitoring chemical use, environmental and health impacts, and legislative effectiveness. It includes indicators for tracking safe and sustainable chemical production, minimising risks, and eliminating pollution. The framework supports innovation, identifies harmful substances, and emphasises the importance of data and ongoing research to close knowledge gaps. According to the agencies, despite progress, challenges remain in waste management, recycling, and reducing pollution levels to safe thresholds.

# 3. REACH Regulation

## Next steps:

- ECHA is expected to come forward with a restriction dossier on 4-OPnEO and 4-NPnEO.
- As for the proposal to restrict PFAS, the ECHA is expected to make further information available about the Committees' plans to evaluate the remaining sectors and about the next procedural steps in the future. Before finalising its opinion, SEAC would submit a draft version of the opinion to a 2-month consultation. Due to the complexity of the file, RAC and SEAC will take longer than 12 months to adopt their opinion, pushing the adoption to April 2025 minimum. Based on the ECHA opinion (the compilation of the opinions of RAC and SEAC), the Commission may decide to draft an amendment to restrict non-essential uses of PFASs under the REACH Regulation. This is expected at the end of 2024, at the earliest.
- Regarding the REACH Regulation revision, the Commission has yet to make a proposal for revision. It will likely go through the Ordinary Legislative Procedure under the next parliamentary term (most likely from 2025).

# 4. CLP Regulation

## Background (I):

- The Regulation on the Classification, Labelling and Packaging (CLP) of chemical substances ([1272/2008](#)):
  - Harmonises the criteria for classification of substances and mixtures, and the rules on labelling and packaging for hazardous substances and mixtures.
  - Sets out obligations for manufacturers, importers and downstream users to classify substances and mixtures placed on the market, and obligations for suppliers to label and package substances and mixtures placed on the market (among others).
- The Commission's 2020 Chemicals Strategy for Sustainability announced the revision of the Regulation. On 19 December 2022, the Commission released a revision [proposal](#). The Parliament and Council reached a [provisional agreement](#) on 5 December 2023, including the following measures:
  - Clear labelling of hazardous chemicals (e.g. minimum font size, labels that are clear for people with impaired eyesight).
  - The possibility for businesses to use fold-out labels and voluntary digital labelling. Important safety information must remain visible on the package. For some products, the supplier can provide digital-only data but the consumer can request a physical copy of the product information.
  - For online sales of hazardous chemicals, websites will have to display the hazardous properties of products.
  - Regarding advertising, statements inconsistent with a product's classification would be banned (e.g. non-toxic, non-harmful, non-polluting, ecological, or other green claims).
  - The Commission will also have the right to develop classification proposals on potentially hazardous substances, not only Member States and industry. This will speed up the identification of hazardous substances.
  - Rules on refillable chemical products bought at refill stations, to prevent risks like overfilling, contamination, etc. This will also help to reduce packaging waste.
  - Updated rules for classifying multi-constituent substances.

# 4. CLP Regulation

## Latest developments:

- On 23 April 2024, the Parliament officially adopted the law (for measures included in final law, see previous slide) with 533 votes in favour, 11 against, and 65 abstentions. The text is expected to undergo the corrigendum procedure due to the fact that it was adopted without legal-linguistic finalisation before the end of the legislative term (more information on next slide).



# 4. CLP Regulation

## Next steps:

- Even if the law was adopted by the Parliament, it must go through a corrigendum procedure due to the fact that it was adopted without legal-linguistic finalisation before the end of the legislative term. This procedure implies a revision of the adopted text by the Committee responsible for the proposal (ENVI) between July 2024 and September 2024, depending on how quickly the Committee appoints its members. If approved, the revised text will be submitted to a plenary vote in September or October. Assuming the Parliament plenary approves the revised text, the Council would then be able to approve the text around Q4 2024.
- It would then be published in the EU Official Journal.

# 5. Net-Zero Industry Act (NZIA)

## Background (I):

- On 16 March 2023, the Commission released its [proposal](#) for a Net-Zero Industry Act. The proposal aimed to:
  - Ensure that by 2030, manufacturing capacity in the EU of certain strategic net-zero technologies approaches or reaches at least 40% of the EU's annual deployment needs for those technologies.
  - Ensure the free movement of net-zero technologies placed on the EU Single Market.
- The proposal include 9 strategic net-zero technologies: solar photovoltaic and solar thermal technologies, onshore wind and offshore renewable technologies, battery/storage technologies, heat pumps and geothermal energy, electrolyzers and fuel cells, sustainable biogas/biomethane, carbon capture and storage (CCS) and grid technologies.
- The proposal includes the following measures:
  - Setting up a streamlined permit-granting process for net-zero technology manufacturing projects. Each Member State would have a single competent authority in charge of permitting processes.
  - Increasing CO2 injection capacity, by establishing an EU single market for CO2 storage services.
  - Incentivising demand for net-zero technologies, for instance through public procurement and auctions to deploy renewable energy sources.
  - Specialised european skills academies for net-zero technologies will be established in collaboration with Member States, industries, and education providers to train and enhance workers' skills.
  - Fostering innovation by establishing net-zero regulatory sandboxes to test technologies in a controlled environment.

# 5. Net-Zero Industry Act (NZIA)

## Background (II):

- The [provisional agreement](#) was reached on 6 February 2024. The key aspects of the agreement are:
  - As the Commission proposed, the inclusion of the target to reach a minimum domestic production capacity of 40% of the EU's annual deployment needs for all net-zero technologies and their supply chains.
  - An extended list of 19 net-zero technologies, adding nuclear fission energy technologies, including nuclear fuel cycle technologies; sustainable alternative fuels technologies; hydropower technologies; renewable energy technologies, not covered under the previous categories; energy system-related energy efficiency technologies, including heat grid technologies; renewable fuels of non-biological origin technologies; biotech climate and energy solutions; transformative industrial technologies for decarbonisation not covered under the previous categories; CO2 transport and utilisation technologies; wind propulsion and electric propulsion technologies for transportation; and nuclear technologies not covered under previous categories.
  - The manufacturing of these net-zero technologies will benefit from the "strategic project" status, which will allow for faster permitting procedures based on the project size and GW capacity.
  - The permit-granting process should take at most 18 months for regular projects and 12 months for strategic projects.
  - Those projects will benefit from faster financing through the Strategic Technologies Europe Platform ([STEP](#)).
    - The initial proposal included references to several Union funding programmes, such as the Recovery and Resilience Facility, to fund strategic projects but the provisional agreement focuses on STEP, which will leverage and steer resources across 11 EU funding programmes to 3 target investments (digital technologies and deep-tech innovation, clean and resource efficient technologies and biotechnologies). The first [call](#) for funding under the STEP platform is now open but concerns defence projects, while other relevant calls are expected to be published from Q3 2024.

# 5. Net-Zero Industry Act (NZIA)

## Latest developments:

- On 25 April 2024, the law was voted and adopted in the Parliament with 361 votes in favour, 121 against and 45 abstentions.
- On 27 May 2024, the law was voted and adopted in the Council.
- On 28 June 2024, the [Regulation](#) (EU) 2024/1735 was published in the EU Official Journal.

## Next steps:

- The measure will enter into force on 29 June 2024 and will start applying from the same date, except for measures concerning auctions for the deployment of energy from renewable sources and specific forms of public interventions, which will not apply until December 2024.

# 6. Packaging and Packaging Waste Regulation (PPWR)

## Background (I):

- On 30 November 2022, the Commission published a [proposal](#) for a Regulation on packaging and packaging waste, repealing the Directive on packaging and packaging waste (94/62/EC). The proposal will also amend:
  - The Regulation on market surveillance and compliance of products (2019/1020).
  - The Directive on the impact of plastic products (2019/904)
- This Regulation applies to all packaging, regardless of the material used, and to all packaging waste, whether such waste is used in or originates from industry, other manufacturing, retail or distribution, offices, services or households.
- Some of the main measures are the following:
  - Sustainability requirements for producers: provisions which limit the use of environmentally damaging materials for packaging, both in the conception and design of the packaging product but also criteria for what may be considered "recycled packaging" with minimum percentages of recycled material that must be contained.
  - Labelling, marking, and information requirements for producers: introduction of label detailing the composition of the packaging and its reusability.
  - Management of packaging waste requirements and also penalties.
- The Parliament adopted its negotiating [position](#) on 22 November 2023.
- The Council adopted its negotiating [position](#) on 18 December 2023.

# 6. Packaging and Packaging Waste Regulation (PPWR)

## Background (II):

- The [provisional agreement](#) was reached on 4 March 2024. The main measures can be summarised as follows:
  - Recycled content targets: The agreement maintains 5% by 2030, 10% by 2035 and 15% by 2040 headline targets for minimum recycled content in plastic packaging. However, it exempts compostable plastic packaging and packaging where the plastic component represents less than 5% of the total weight from these targets. The Commission will review the implementation of these targets.
  - Sustainability requirements for producers:
    - All packaging must be recyclable, with specific criteria outlined in the Regulation and further defined through secondary legislation.
    - The presence of harmful substances must be minimised, with strict limits on lead, cadmium, mercury, and hexavalent chromium concentrations not exceeding 100 mg/kg. Future regulations may further reduce these limits. By 2026, the Commission will issue a report on the presence of harmful substances in packaging and consider additional measures.
    - Packaging must contain minimum levels of recycled content, varying by type and format, ranging from 10% to 35% sourced from post-consumer plastic waste.
    - To reduce packaging waste, binding reuse targets are established, certain single-use packaging types are restricted, and economic operators are required to minimise packaging usage.
  - Labelling, marking and information requirements for producers: Packaging shall be marked with a label containing information on its material composition. QR code detailing the reusability of the packaging must be made available. The agreement introduces harmonisation requirements for packaging labels.

# 6. Packaging and Packaging Waste Regulation (PPWR)

## Latest developments:

- On 24 April 2024, the Parliament adopted the law with 476 votes in favour, 129 against and 24 abstentions, without legal-linguistic finalisation before the end of the legislative term, triggering a corrigendum procedure. As no plenary amendments were tabled, the Legislative Resolution reflects the content of the provisional agreement.

## Next steps:

- This procedure implies the revision of the text by the Committee responsible for the proposal (ENVI) in July or September, depending on how quickly the Committees appoint their members and, if approved, its submission to the plenary in September or October.
- Assuming the Parliament plenary approves the corrigendum version of the text, the Council would then be able to approve the text around Q4 2024.

# 7. Carbon Border Adjustment Mechanism (CBAM)

## Background (I):

- On 14 July 2021, the Commission published a [proposal](#) for a Regulation establishing a carbon border adjustment mechanism (CBAM) as part of its Fit for 55 package.
- This regulation intends to charge for the carbon emissions of certain goods imported into the EU, aiming to prevent carbon leakage. It complements the EU Emissions Trading System (ETS) by imposing a similar regime.
- The scope covers several goods including cement, electricity, iron and steel, and aluminium. Other goods like hydrogen, carbon black, ethylene, phenol, ethanol, PVC and other polymers are considered to be "possibly" covered by the Regulation when sufficient data will be provided.
- Goods coming from Iceland, Liechtenstein, Norway, Switzerland, Büsingen, Heligoland, Livigno, Ceuta and Melilla are excluded from the Regulation.
- The main provisions include:
  - Authorised importers are subject to authorisation, annual reporting of imported goods and their emissions, methods for calculating and verifying these emissions, and conditions for using verified emissions data from foreign operators.
  - The proposal details rules for selling, pricing, surrendering, re-purchasing, and cancelling CBAM certificates. Importers can buy certificates from national authorities, must keep enough to cover their emissions, can sell back excess certificates. Finally, old unused certificates are cancelled annually.
  - It establishes penalties for failing to surrender the required CBAM certificates. Authorised and unauthorised importers will face significant financial penalties if they do not comply. Payment of penalties does not absolve the obligation to surrender certificates, and Member States may impose additional sanctions to ensure compliance.
  - The proposal ensures that the requirement for importers to surrender CBAM certificates is fair by considering the free allowances given to EU producers of the same goods. The European Commission will establish the calculation method for this adjustment through a formal procedure.



# 7. Carbon Border Adjustment Mechanism (CBAM)

## Background (II):

- An agreement between Parliament and Council for the final text was reached on 13 December 2022. The main provisions were:
  - The aim of the CBAM is to equalise the carbon price paid for goods imported into the EU with that paid for products subject to the EU ETS. Importers will need to purchase CBAM certificates to cover the difference between the carbon price in the production country and the EU ETS carbon allowances price.
  - The CBAM would target products in carbon-intensive sectors such as iron and steel, cement, aluminium, fertilisers, electricity, and hydrogen. It would also cover certain precursors and a limited range of downstream products like screws, bolts, and similar iron and steel articles. Additionally, the CBAM would apply to indirect emissions under specific conditions.
  - The Commission would evaluate extending the CBAM to other products at risk of carbon leakage, such as organic chemicals and polymers, before the end of the transitional period in 2026. By 2030, the CBAM aims to include all goods covered under the EU ETS. The Commission would also assess the methodology for calculating indirect emissions in imported goods and consider adding more downstream products.
  - Imported goods would be exempt from the carbon border tax if produced in countries that apply the EU ETS or have agreements to fully link their emissions trading systems with the EU ETS, effectively charging a carbon price equivalent to that in the EU ETS.
  - The CBAM would be implemented gradually starting on 1 October 2023. The initial phase would require importers to fulfil reporting obligations only. This would be followed by a progressive implementation linked to the phase-out of free allowances under the EU ETS in relevant sectors to ensure compliance with international trade rules.
  - The Commission would conduct a general review of the CBAM before the end of 2027, assessing progress in international climate negotiations and examining the mechanism's impact on imports from developing countries.

# 7. Carbon Border Adjustment Mechanism (CBAM)

## Latest developments:

- The Parliament endorsed the provisional agreement on the 18 April 2023 while the Council adopted the law on 25 April 2023.
- The Regulation (EU) 2023/956 was [published](#) in the EU official Journal on 16 May 2023 with no changes to the measures previously developed.
- CBAM entered into application in its transitional phase on 1 October 2023, with the first reporting period for importers ending on 31 January 2024. Some provisions only apply from 1 January 2026:
  - Importation of goods into the customs territory of the Union by an authorised CBAM declarant.
  - CBAM declaration and review.
  - Calculation and verification of embedded emissions.
  - Carbon price paid in a third country.
  - Use of central platform for sale of CBAM certificates.
  - Price, repurchase, cancellation of CBAM certificates.
  - Rules applicable to the importation of goods.
  - Penalties.
- On 22 May 2024, Climate commissioner Hoekstra reflected on enlarging the scope to include more essential products for Europe. This proposal has garnered support from various European politicians, including France. During the European elections campaign, the following candidates mentioned this extension: Valérie Hayer (Renew list head for France) wants to extend its scope to processed products, while Marie Toussaint (The Greens, France) advocates applying it to chemical and toxic products. The Republicans, behind François-Xavier Bellamy (EPP, France), want to target all products imported into the EU. The goal is to create a level playing field for carbon-intensive imports and domestic production, contributing to the EU's climate objectives.

# 7. Carbon Border Adjustment Mechanism (CBAM)

## Next steps:

- As the CBAM would be implemented gradually with a phase-out of free allowances under the EU ETS in relevant sectors, the definitive Regime will start from 2026.

# 8. Ocean governance

## Background:

- In January 2018, the Parliament adopted a [Resolution](#) titled "International ocean governance: an agenda for the future of our oceans in the context of the 2030 Sustainable Development Goals". Through the [Oceans Roadmap 2.0](#), released in June 2018, the UN and the Commission agreed to deepen their cooperation and to continue to support the conservation of marine biodiversity and ecosystems.
- In June 2020, the Commission published the [EU Blue Economy Report 2020](#), on the performance of economic sectors linked to oceans and coastal environments.
- In July 2020, the Commission released the [Atlantic Action Plan 2.0](#), formally called "An updated action plan for a sustainable, resilient and competitive blue economy in the EU Atlantic area". In response, in September 2021, the Parliament adopted a [Resolution](#) titled "A new approach to the Atlantic maritime strategy".
- In June 2022, the Commission published a [Joint Communication](#) titled "Setting the course for a sustainable blue planet – Joint Communication on the EU's International Ocean Governance agenda". The Communication specifies several integrated actions for a safe, secure, clean healthy and sustainably managed ocean under four policy pillars: (1) the international ocean governance framework, (2) ocean sustainability by 2030, (3) security and safety at sea, and (4) ocean knowledge.
- On 6 October 2022, the Parliament adopted a [Resolution](#) titled "Momentum for the Ocean: Strengthening Ocean Governance and Biodiversity".
- On 13 December 2022, at the General Affairs Council (meeting of European Affairs Ministers), Ministers adopted [Council Conclusions](#) on International Ocean Governance for safe, secure, clean, healthy and sustainably managed oceans and seas. This is the Council's response to the Commission's Joint Communication from 24 June 2022 on "Setting the course for a sustainable blue planet – Joint Communication on the EU's International Ocean Governance agenda".

# 8. Ocean governance

## Latest developments:

- On 13 March 2024, the Commission released the [mid-term review](#) of the 8<sup>th</sup> Environmental Action Programme. The 8<sup>th</sup> EAP entered into force in May 2022 as the EU's legally agreed common agenda for environmental policy until 2030. The mid-term review notes the advancements made and the challenges ahead, stressing the fact that adequate investments and updated national plans are crucial for meeting the climate targets. In particular, in relation to oceans and the marine ecosystem, the report includes the following points:
  - Further action is needed to address water and marine pollution, particularly plastic litter at sea. Groundwater pollution by nitrates also remains a concern.
  - Progress has been made in designating marine protected areas.
  - The EU's international ocean governance agenda supports ambitious marine biodiversity targets. An example of this is the UN's BBNJ agreement, also known as the Treaty on the High Seas (more information below).
  - Full implementation of existing EU environmental laws is critical to improving water quality and reducing marine pollution.
- On 17 June 2024, the Council adopted a [Council Decision](#) giving the green light for the EU's adoption of the [UN agreement](#) on the conservation and sustainable use of marine biological diversity in areas beyond national jurisdiction (also known as the BBNJ agreement). The agreement had been adopted in June 2023 at the UN General Assembly. Now that the approval of the agreement has been finalised at EU level (by Parliament in April and by Council in June), the EU is ready to formally deposit the ratification instrument. The agreement will provide for shared governance over 95% of the ocean's volume, allowing for the establishment of marine protected areas on the high seas (currently, only about 1% of the high seas is protected).

# 8. Ocean governance

## Next steps:

- Before the next UN Ocean Conference (June 2025), the EU will formally deposit the ratification instrument of the UN's BBNJ agreement (High Seas Treaty).

# 9. European elections

The European elections took place 6-9 June 2024.

## European Commission

The current President of the European Commission Ursula Von der Leyen (EPP, Germany) is likely going to be re-elected as President. She has been chosen as the EPP lead candidate but according to estimations, she still needs 40 to 50 additional votes to get a majority. During the coming term, if she is elected, Von der Leyen aims to strengthen European defence and industry, while climate policies may be less prominent than during the previous terms.

As for the Commissioners, Member States are gradually announcing their official designations:



**Ursula von der Leyen**  
Current EC President

National party domestic position is Opposition, but chances of German government support if she is EPP Spitzenkandidat and liked by President Macron and US Democrats.



**Teresa Ribera**  
Current Minister for the Ecological Transition

The Spanish Government is counting on Teresa Ribera to enter the new European Commission. DG ENER/ENV seems to be the most probable spots



**Maroš Šefčovič**  
Current Executive Vice-President for the Green Deal

Šefčovič has a good position to be re-appointed Commissioner considering his track-record. Confirmed by his government.



**Valdis Dombrovskis**  
Current Executive Vice-President for an Economy that Works for People

Latvian Prime Minister Evika Silina has endorsed Valdis Dombrovskis for a third term as European Commissioner, highlighting his strong support from voters and his experience.



**Thierry Breton**  
Current Commissioner for the Internal Market

Breton has a strong position from his results as Commissioner. However, considering the FR context and upcoming legislative elections – FR might propose another candidate



**Radosław Sikorski**  
Minister Foreign Affairs Poland

Radosław Tomasz "Radek" Sikorski is a Polish politician, journalist and statesman. He also was an MEP. Sikorski could become Commissioner for Defence/Defence Industry or Commissioner for Enlargement



**Kaja Kallas**  
Current Estonia's Prime Minister

The leader of the Reform Party since 2018, she was a member of parliament in 2011–2014, and 2019–2021. Kallas was an MEP in 2014–2018, representing ALDE. Kallas could become HR/VP or Commissioner for Defence/Defence Industry



**Francesco Lollobrigida or Raffaele Fitto**  
Currently both ministers in Italy (Agriculture & European Affairs)

Two names are being discussed for an Italian Commissioner position – IT might propose another candidate depending on IT internal politics and surrounding EU context from Meloni's government alliances

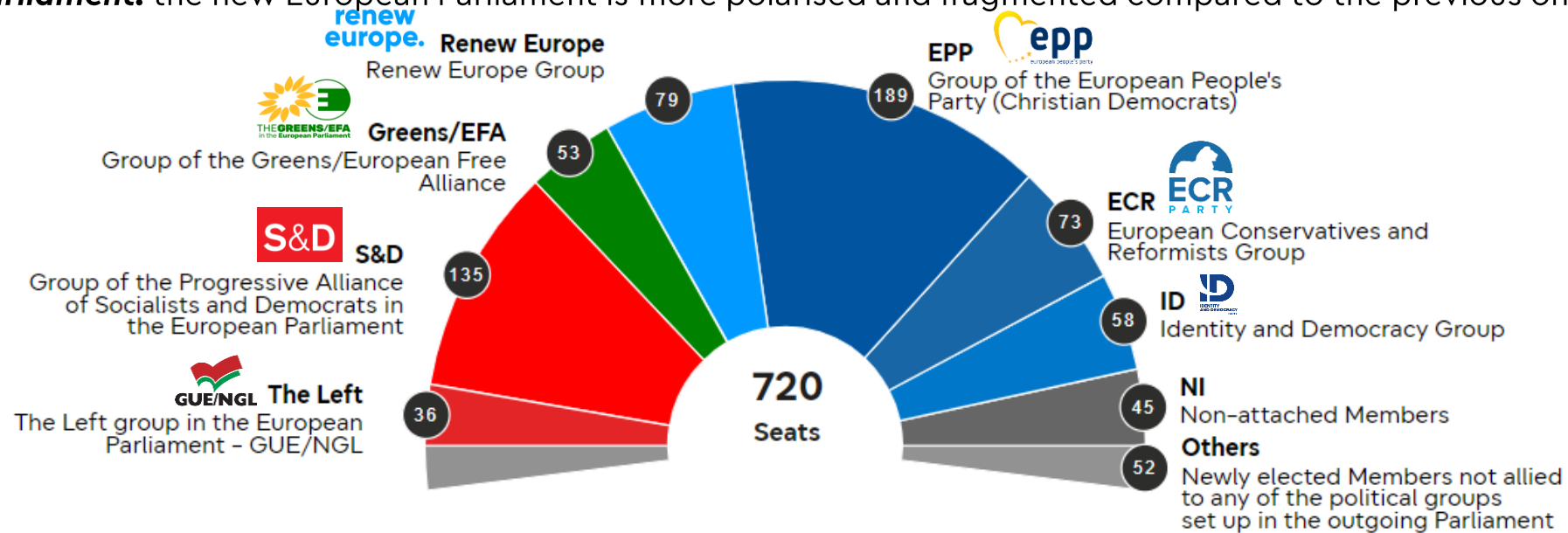


**Henna Virkkunen**  
Former ITRE-TRAN Member

Prime Minister Petteri Orpo said that the government will nominate Henna Virkkunen as Finland's candidate for a seat on the next European Commission.

# 9. European elections

**European Parliament:** the new European Parliament is more polarised and fragmented compared to the previous one.



EPP, the biggest group of this new Parliament defends industrial approach, in favour of technological neutrality (including low-carbon fuels). S&D, the second biggest group believes in a strong EU climate target for 2040, focuses on social conditions, together with a competitive European economy and the green transition. Renew, the third biggest group wants comprehensive decarbonisation plans for all transport modes, focusing on infrastructure development, electrification, and active mobility. Also calls to strengthen the single market and for streamlining bureaucratic processes.

For the election of the Commission President, the EPP is first conducting conversations with S&D and Renew to ensure their support. However, as some MEPs abstain or vote against their political group's recommendation, it is possible that the EPP could seek support from others in addition to ensure they secure enough votes for Ursula von der Leyen's appointment. S&D has indicated that they would support her under the condition that ECR and ID are not part of the coalition.



# contact.

---

**logos**

[secretariat@logos-pa.com](mailto:secretariat@logos-pa.com)

[www.logos-pa.com](http://www.logos-pa.com)

---

logos public affairs

Avenue des Arts, 47

1000 Brussels

+32 02 588 24 31

---

logos

earn trust.  
make change.