

LEGAL UPDATE

Climate Agreement is Already in Place and Climate Act is Coming

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On 27 June 2018, a number of members of the Dutch House of Representatives jointly submitted the bill for the Climate Act. This bill is actually an amended version of the earlier bill for a Climate Act submitted in 2015 by House members Jesse Klaver and Diederik Samson. Now, in addition to the GreenLeft (GroenLinks) and Labour party (PvdA), the SP, ChristenUnie, D66, VVD and CDA also support the proposal. The bill provides a framework for achieving a long-term CO2 emissions reduction, from a 49% reduction in 2013 compared to 1990 to a 95% reduction in 2050 compared to 1990. In addition, the Dutch electricity supply must be carbon-neutral in 2050. The bill seeks to achieve this objective by means of a climate plan, which must be adopted every five years and must contain the main points of the climate policy. The first climate plan must be adopted as early as 2019.

Shortly after the bill was submitted, on 10 July 2018, Ed Nijpels presented a general proposal for the national [Climate Agreement](#) to Minister Wiebes of Economic Affairs and Climate Policy. During the preceding four months, Nijpels was the driving force behind the negotiation process around this Climate Agreement.

At the five sector round tables (Industry, Built Environment, Mobility, Agriculture and Land Use, and Electricity), more than one hundred parties have made plans to reduce CO2 emissions by 49% in 2030 compared to 1990. In addition, plans have been made for how the 55% CO2 reduction in 2030 is to be achieved, and a roadmap has been laid down towards the 95% CO2 reduction target set for 2050. Cost efficiency has been a major priority in drawing up the general proposal.

The **Industry sector table** wants to reduce emissions of the greenhouse gas CO2 by 14.3 billion kilograms in 2030. The ambition is to build a thriving, circular and globally leading industrial sector, with even virtually zero emissions of greenhouse gases in 2050.

The **Electricity sector table** aims to generate three quarters of electricity sustainably. This will involve, among other things, a sevenfold increase of wind and solar energy generation. Furthermore, municipalities will together with citizens draw up regional energy strategies, for which the Netherlands will be divided into thirty regions.

The **Built Environment sector table** aims to take two million homes off the natural gas grid, and to ensure that other homes consume less natural gas. The tax on natural gas will be raised, while the tax on electricity will be lowered. Building-based financing is being developed, which will make it easier for homeowners to make their homes more sustainable.

The **Mobility sector table** focuses on increasing the number of electric passenger cars and the electrification of public transport and the modal shift, which involves making different choices in the various existing modes of transport. Various options have been mapped out for tax measures to encourage this modal shift among the general public.

The **Agriculture and Land Use sector table** wants to avoid greenhouse gas emissions through smarter feed, better dairy barns and financial assistance to facilitate a restructuring of the pig population. Greenhouses can be taken off the natural gas grid by shifting to geothermal energy and using CO2 generated by the industrial sector to grow plants. The emission of greenhouse gases will also be reduced by planting more trees, cultivating the land differently and raising the ground water level in some of the

marsh meadows. There will also be a switch to agricultural machines powered by renewable energy. Finally, halving food waste and reducing meat consumption will also help to reduce CO2.

In addition to the proposals made by the five sector tables, the general proposal also includes the main points for a number of **cross-sectoral issues and overall points for attention**, such as hydrogen and biomass, the labour market, education and financing. All proposals can be found at <http://www.klimaataakkoord.nl>.

The general proposal states how the sector tables intend to achieve the objectives. In July and August 2018, the Netherlands Environmental Assessment Agency (PBL) and the Netherlands Bureau for Economic Policy Analysis (CPB) will assess the proposals in terms of their feasibility, the impact on people's income and the sharing of costs between various groups within society. In September, the government will respond to the plans, after which the main points will be worked out into concrete measures. The plan is to sign a final agreement by the end of this year.

On 10 July 2018, minister Wiebes sent letters to the [Dutch Senate and House of Representatives](#) to inform them about the main points of the Climate Agreement.

The measures in the Climate Agreement must form the input for the climate plan to be drawn up on the basis of the Climate Act.

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