

EU Multi-Annual Financial Framework Investments for the Green Transition

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Introduction

By adopting the Multiannual Financial Framework (MMF), the EU sets the priorities and objectives for the EU. The achievement of the objectives set out in the multi-annual budget is closely linked to the implementation of the Member States' national policies and strategies, as well as to the programming documents for the administration of the European Investment Funds. In order to track the progress of the EU Member States in the implementation of economic and social cohesion policy, the authors have analyzed convergence processes of green economy indicators in the EU Member States from 2009 to 2019.

The EU has pledged to achieve climate neutrality by 2050. In order to reach this target, the European society and economy will have to be changed to make it cost effective, fair and socially balanced. The EU leaders approved of a new binding EU target – to decrease internally greenhouse gas emissions by 55% in comparison to the level of 1990 until 2030. Solving the significant challenge of climate neutrality depends on the close, real and effective cooperation of all Member States.



Context of the research:

- Different country specific & green economy development level in each country
- EU budget is spend on green goals in countries level differently
- Different programmes & deepness level in green goals.

Methodology

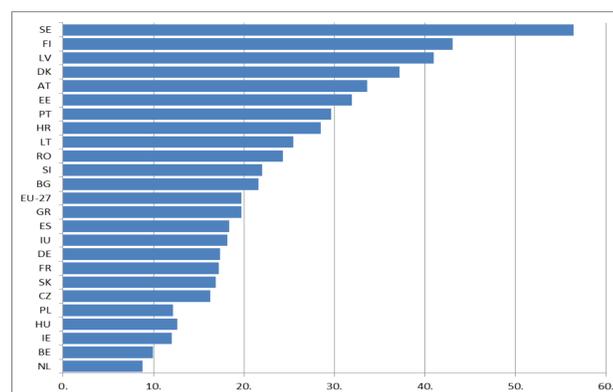
Theoretical and empirical research analysis was conducted as well as summarising of international experience within the context of green goals, using measurable indicators and indices. Thus, the study has an interdisciplinary nature (economics, social aspects, governance) and a variety of research methods are applied to it. The aim of the article is to evaluate the implementation of the climate/energy targets with basic monitoring statistical data of the Europe 2020 Strategy.

Consequently, author analyzed data about the period from 2009 until 2019 in 28 EU Member States, in order to evaluate the contribution of the EU investments in sustainable development and specifically in performance of green targets, which are set in Europe 2020 strategy. Author evaluated the dynamics of green targets' performance, β and σ convergences of the Member States, as well as the EU investments impact on the achievement of set green targets. The convergence analysis was carried out in 28 EU Member States in 2009 and 2019 in the three monitoring indicators.

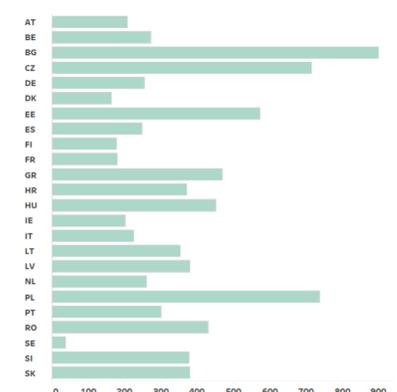
Results

The share of renewables in gross final energy consumption stood at 19.7 % in the EU-27 in 2019. With more than 40% of energy from renewable sources in its gross final consumption of energy Finland (43.1 %) and Latvia (41.0 %), but only around 10% in Poland, the Netherlands or Belgium.

Share of energy from renewable sources in 2019 in the EU countries



Total greenhouse gas emissions per GDP in 2019



Main conclusions

Historically, the EU integration was based on the argument that it is necessary to have economic, social and territorial cohesion of Member States. The financial crisis stopped these trends and as of 2008 results of the EU Member States' actions were outlined by stopped or diverted models.

- The EU strategy was adopted and implemented on a national level and every Member State defined national performance targets, which would overall promote the achievement of objectives in the EU.
- However, in accordance with the results obtained in this research it can be concluded that the implementation of set targets has not promoted a significant (strong) convergence in the achievement of objectives. Set targets in relation to the EU Green policy have not been achieved and there are significant differences between the Member States during the research period.
- For further research, it is necessary to evaluate other statistical data, in order to be able to assess in-depth the indications associated with the achievement of EU goals.