

Article – What is carbon neutrality and how can it be achieved by 2050?



What is carbon neutrality?

Carbon neutrality means having a balance between emitting carbon and absorbing carbon from the atmosphere in **carbon sinks**. Removing carbon oxide from the atmosphere and then storing it is known as carbon sequestration. In order to achieve net zero emissions, all worldwide greenhouse gas emissions will have to be counterbalanced by carbon sequestration.

Carbon sink is any system that absorbs more carbon than it emits. The main natural carbon sinks are soil, [forests](#) and oceans. According to estimates, natural sinks remove [between 9.5 and 11 Gt of CO2 per year](#). Annual global CO2 emissions reached [37.1 Gt](#) in 2017.

To date, no artificial carbon sinks are able to remove carbon from the atmosphere on the necessary scale to fight global warming.

The carbon stored in natural sinks such as forests is released into the atmosphere through forest fires, changes in land use or logging. This is why it is essential to [reduce carbon emissions](#) in order to reach climate neutrality.

Press release – Hearing of Commissioner-designate Paolo Gentiloni



Political groups' coordinators from the committee will meet within 24 hours to assess the performance of Commissioner-designate Gentiloni.

Stability and Growth Pact, environmental mainstreaming and taxation

During his [introductory speech](#), Mr Gentiloni emphasised that economic growth and the transformation of economies must not go counter to pressing environmental and social priorities. He pledged to focus on reducing public debt, while also encouraging the use of any available fiscal space to invest. Overhauling the taxation framework at EU level would also top the agenda, Mr Gentiloni added.

MEPs were particularly interested in hearing Mr Gentiloni's intentions regarding the Stability and Growth Pact, some to obtain assurance that he would ensure the rules are applied, others to understand his views on how the Pact could be reformed. Many also raised the need for the Commission to tackle tax evasion and tax havens more appropriately, namely by introducing a minimal corporate tax rate in the EU, widening the list of countries considered as tax havens, and dealing with EU member states that behave like tax havens.

Members also asked for some detail on how the proposal for a European unemployment re-insurance scheme could be fleshed out and what instruments could be considered to better manage anti-cyclical movements. Later in the hearing, MEPs raised the issues of strengthening the social dimension of the European Semester and asked how to make progress in Council on blocked pieces of legislation.

You can watch the video recording of the full hearing [here](#).

Next steps

Based on the committee's recommendations, the Conference of Presidents will decide on 17 October if Parliament has received sufficient information to declare the hearing process closed. If so, the plenary will vote on whether or not to elect the Commission as a whole on 23 October, in Strasbourg.

Background

MEPs from the budgetary affairs committee also participated in the hearing.

[Press release – Hearing of Commissioner-designate Kadri Simson](#)



The president and political groups' coordinators from the committee will meet within 24 hours to assess the performance of Commissioner-designate Kadri Simson.

Financing the energy transition to reach EU climate goals

During her [introductory speech](#), Ms Simson said that she believes energy has a central role to play in the European Green Deal, to be presented within the first 100 days of the new Commission. She committed to reviewing the EU's legislation on energy with the aim of making the EU climate neutral by 2050. By 2021, the EU should increase its 2030 reduction target to cut CO₂ emissions by at least 50% and possibly up to 55%. This is conceivable, while still remaining competitive globally, Simson stressed.

MEPs put forward several questions on how to finance the reform of the EU's energy mix and reach the EU's climate objectives. "Through the EU budget and by making the European Investment Bank a climate bank", she replied.

MEPs underlined the importance of the Just Transition Fund to support the regions most dependent on coal production to transition to renewable energy and stressed that this transition must ensure affordable energy for all consumers. They also wanted to know if the Commissioner-designate supports raising the EU's 2030 targets on renewable energy and energy efficiency.

During the hearing, MEPs also raised issues such as energy security, gas supply, offshore wind farms, research, nuclear energy, and carbon capture and storage.

You can watch the video recording of the [full hearing here](#).

Press point

At the end of the hearing, Committee Chair [Adina-Ioana Vălean](#) (EPP, RO), together with Commissioner-designate Kadri Simson, held a press point outside the meeting room: [watch it here](#).

Next steps

Based on the committees' recommendations, the Conference of Presidents will decide on 17 October if Parliament has received sufficient information to declare the hearing process closed. If so, the plenary will vote on whether or not to elect the [Commission as a whole](#) on 23 October, in Strasbourg.

[SQAP audit on opposition decisions](#)

Nineteen users representing eleven user associations are meeting at the EUIPO's premises.



EUIPO is pleased to welcome on 2-4 October the eighth audit on the quality of EUIPO opposition decisions in the context of the [Stakeholder Quality Assurance Panels \(SQAP\) Project](#).

Nineteen users representing eleven user associations are meeting at the EUIPO's premises to check a sample of decisions against our quality criteria.

The audit participants and their respective user associations are:

Nathalie	Luis	AIM
Stoyan	Sirakov	AIPPI
Julien	Delucenay	APRAM
Steve	Felix	APRAM
Martina	Eberle	BUSINESSEUROPE
Richard	Mair	CNIPA
Cristina	Bercial	ECTA
Benjamin	Fontaine	ECTA
Sarka	Petivlasova	ECTA
Elena	Miller	FICPI
Eleni	Kokkini	FICPI
Jana	Bogatz	GRUR
Roberto	Kunz-Hallstein	GRUR
Ana	Sampaio	ICC
Paola	Ruggiero	INTA
Alicja	Zalewska	INTA
Bas	Kist	MARQUES
Roland	Mallinson	MARQUES
	Hvammen-	
Thomas David	Nicholson	MARQUES

The SQAP project was launched by the EUIPO in 2017, aiming to **integrate the user's perspective into the quality management system** and to narrow the gap between the users' perception of quality and the quality measured by the Office.

In SQAP, users contribute directly to improve the quality of the Office decisions.

The EUIPO would like to thank the users and user associations for taking part in this initiative.

ESMA consults on the commercial terms for providing client clearing services under EMIR

During the implementation of EMIR's clearing obligation, several counterparties have experienced issues around access to clearing. In response to this access issue EMIR Refit has introduced a number of measures to address it, including the FRANDT requirements.

The aim of FRANDT for client clearing services

The FRANDT requirements are part of a broader set of regulatory efforts to enhance access to clearing. The proposal on how to specify the conditions under which commercial terms are to be considered fair, reasonable, non-discriminatory and transparent aims to strike the right balance between maintaining providers' ability to develop their client clearing offerings and to manage their risk, while ensuring the fundamental principles of FRANDT in how these services are offered in order to facilitate access to clearing for all types of clients.

The FRANDT requirements should not result in price regulation and should continue to allow providers to control the risks related to their clearing services. However, where clearing services are provided, whether directly or indirectly, providers should offer and provide those services under fair, reasonable, non-discriminatory and transparent commercial terms.

The CP sets out the requirements for FRANDT commercial terms, based on the four criteria listed under Article 4(3a) of EMIR, namely:

- fairness and transparency;
- unbiased and rational contractual arrangements;
- to facilitate clearing services and prices to be fair and non-

discriminatory; and

- risk control criteria.

Next steps

ESMA will consider all comments received by 2 December 2019 and expects to publish a final report and to submit its technical advice to the EC in Q1 2020.