

Guidelines for EU Policymakers: Navigating the polycrisis in line with the European Green Deal

Ahead of the EU elections in June, the European Green Deal has arrived at a critical juncture. Faced with an increasingly contested international environment and a seemingly never-ending series of interconnected and intertwined crises, the EU must seek to keep the Green Deal alive and kicking. This is not optional – achieving climate neutrality is the only pathway towards future European prosperity within planetary boundaries. Navigating this era of “polycrisis” while sustaining momentum in the EU’s green and just transition will be of crucial importance.

Recent and ongoing crises highlight three key factors to align and unlock synergies between EU short-term responses and long-term goals: **EU leadership** in facing and dealing with the emergency, **inclusiveness** in the crisis approach, and **sufficient capacities** at the EU level to act and manage crises effectively and according to Green Deal objectives. Naturally, these dimensions are strongly interdependent; adequate resources will, for instance, enhance EU leadership, and EU leadership can, in turn, bolster capacity.

To leverage its leadership in times of crisis, the EU must:

- **Adopt a Green Deal Contingency Plan after the next European elections**, assessing the main challenges, issues and risks and the expected implications for the EU’s green transition. This Contingency Plan should also consider the necessary measures to meet these challenges head-on while keeping the Green Deal on track. Equally, it should explore potential synergies to use the polycrisis to accelerate the green transition and to employ

the Green Deal to minimise the adverse effects of crises and help avoid a permacrisis. While taking a long view with the objective of climate neutrality by 2050 in mind, this Contingency Plan should focus especially on the next five years and must be updated at the beginning of each institutional cycle.

- **Establish an Advisory body on Green & Just Crisis Management.** This Advisory body would be tasked with forecasting and scenario building for Green Deal objectives in light of ongoing and possible future crises and improving the crisis preparedness and resilience of the EU’s green and just transition. In the event of a major international crisis, it would develop guidelines to align EU-level and national responses with climate goals, maximise the synergies and minimise the trade-offs between short-term effectiveness and the green agenda. The Advisory body would complement and help mainstream the green agenda into the activities of existing mechanisms for crisis governance at the European level, such as the Integrated Political Crisis Response mechanism of the Council, the EU Civil Protection Mechanism, the Single Market Emergency Instrument, and the European Food Security Crisis preparedness & response mechanism (EFSCM). Its composition would include a standing body of representatives of the Commission and external experts. Integrating nexus thinking – overcoming policy silos and supporting inter- and intra-institutional collaboration to enable truly multidimensional, holistic crisis responses – this standing body could be flexibly expanded with representatives of other DGs, additional experts, and/or relevant stakeholders based on the needs of the crisis at hand.

- **Endorse management of the polycrisis as one of the key topics to be addressed by the next Commission’s Executive Vice-President in charge of the Green Deal.** The Executive Vice-President should have one or more officials designated to address the question of polycrisis when working on the implementation of the ambitions of the Green Deal.

To ensure inclusiveness in responding to crises:

- **Develop a strategy for communicating the importance of the Green Deal in the age of polycrisis.** The strategy would help inform Europeans about the socio-economic benefits of the green transition and the costs of inaction. It should communicate clearly, consistently and concisely regarding the uncertainties, trade-offs and costs related to the green transition and how these are distributed across society and the economy. In encountering crises, the strategy should – where possible – focus on communicating the concrete benefits and short-term relief of personal choices and actions that businesses and citizens can take in line with Green Deal objectives.
- **Initiate strategic dialogues with representatives of member states, regions, cities, consumer associations, industry and NGOs.** These strategic dialogues would aim to address the fundamental concerns and socio-economic challenges of people and businesses concerning the green transition in the age of polycrisis. They would build on the lessons from the ongoing strategic dialogue on the future of EU agriculture and Conference on the Future of Europe. Together with the aforementioned communication strategy, the dialogues will help cultivate a shared assessment of the polycrisis and foster a joint narrative across the Union for pioneering the green and just transition. In reacting to crises, this common understanding will make it easier to formulate collective responses and align the enlightened self-interest of EU member states, citizens and companies with the green agenda.

To strengthen its capacities in crisis management in line with Green Deal objectives, the EU must:

- **Start the debate on a follow-up mechanism to the Recovery and Resilience Facility (RRF) to maintain and ideally reinforce its budgetary capacities to navigate the polycrisis in line with net-zero ambitions immediately after the EU elections.** The endless succession of overlapping crises and the structural, long-term need for investment in the green transition justifies a permanent instrument. This could be financed via a new round of joint borrowing. Instead of being *a priori* redistributive and directed mainly towards national projects like the RRF, this instrument must take a much more European approach with a focus on strategic projects with a clear cross-border dimension. The EU should keep the lessons from previous initiatives in mind, such as the European Stability Mechanism and the (failure of the) Strategic Technologies for Europe Platform (STEP). When implemented, the aforementioned Green Deal Contingency Plan can help in steering these investment flows in the right direction.
- **Seek to leverage funds from other sources.** The green agenda must be mainstreamed into the European Semester to ensure a stronger alignment of national fiscal policies with EU climate and environmental objectives. Work must equally continue on the sustainable finance agenda to mobilise and leverage private investment in the green transition.

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