



**What has been achieved so far?**

*Green Budgeting in the EU:  
a coherent approach for improved policy making*

*Christian Weise, Head of Unit,  
Directorate-General for Economic and Financial Affairs*

**21 March 2024**

# Outline

- Mandate and achievements
- State of play in the EU
- Green elements in the Economic Governance Review
- Where next?

# Mandate and achievements

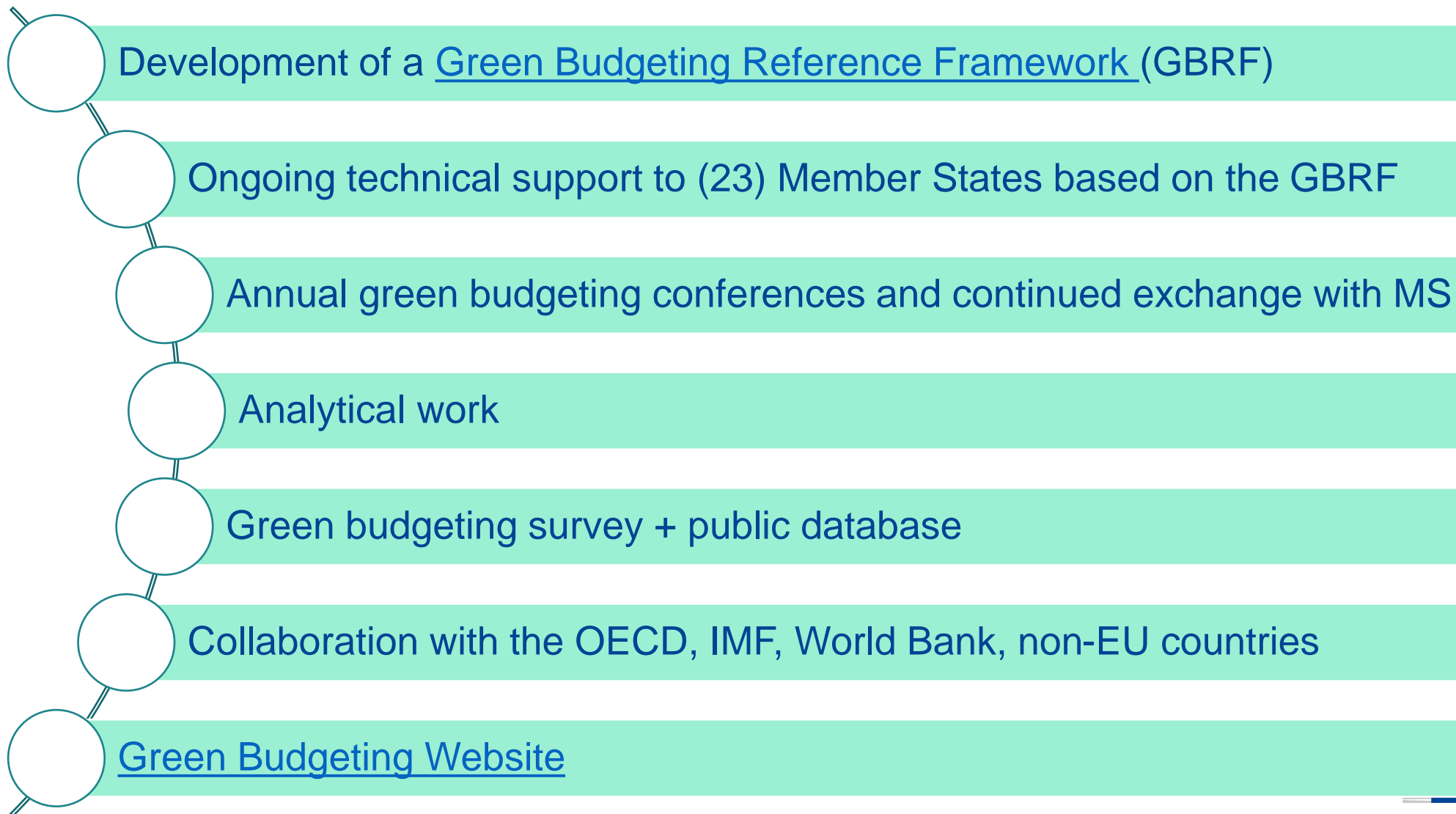
# European Commission and green budgeting

## Mandate from the European Green Deal (2019)

National budgets play a key role in the transition. A greater use of green budgeting tools will help to redirect public investment, consumption and taxation to green priorities and away from harmful subsidies. The Commission will work with the Member States to screen and benchmark green budgeting practices. This will make it easier to assess to what extent annual budgets and medium-term fiscal plans take environmental considerations and risks into account, and learn from best practices. The review of the European economic governance framework will include a reference to green public investment in the context of the quality of public finance.

**Source:** Communication on The European Green Deal [EUR-Lex - 52019DC0640 - EN - EUR-Lex \(europa.eu\)](#)

# Commission work on Green Budgeting

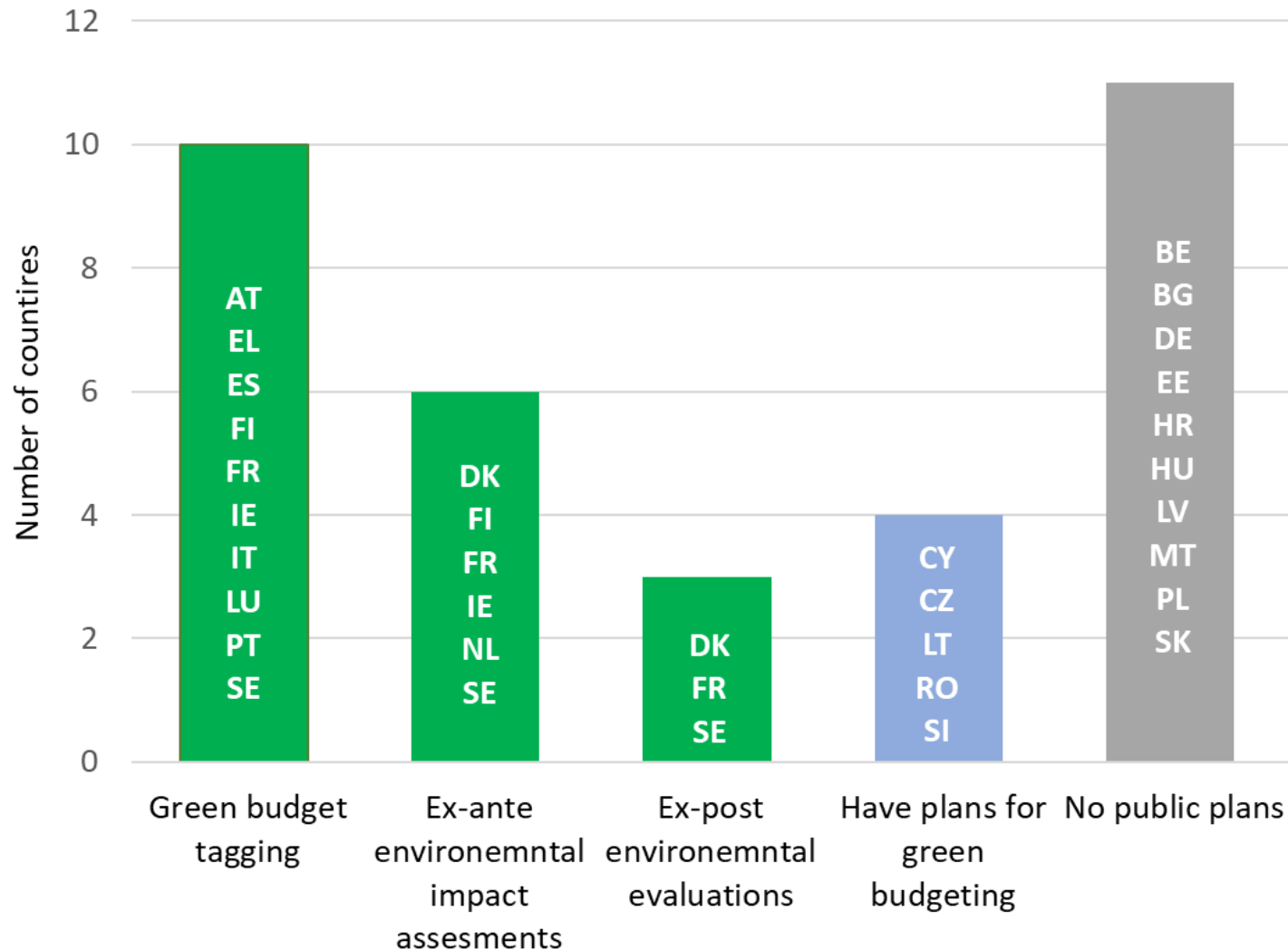




# State of play in the EU

## - 2023 Commission survey -

# Green Budgeting practices



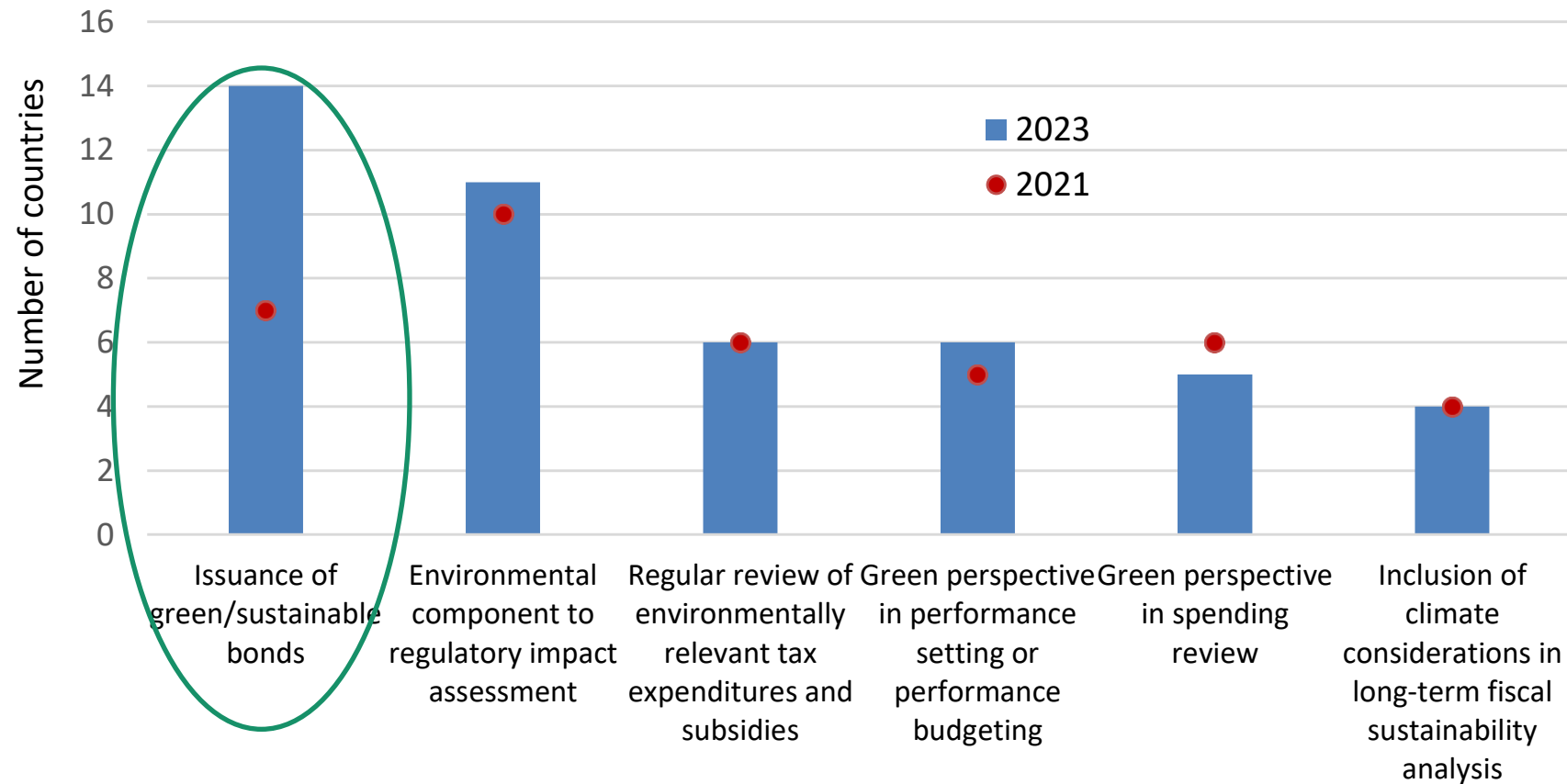
**Note:**

Slovenia is already implementing green budgeting.

**Source:** [2023 European Commission survey on green budgeting](#)

# Other tools

... relevant to the greening of public finances

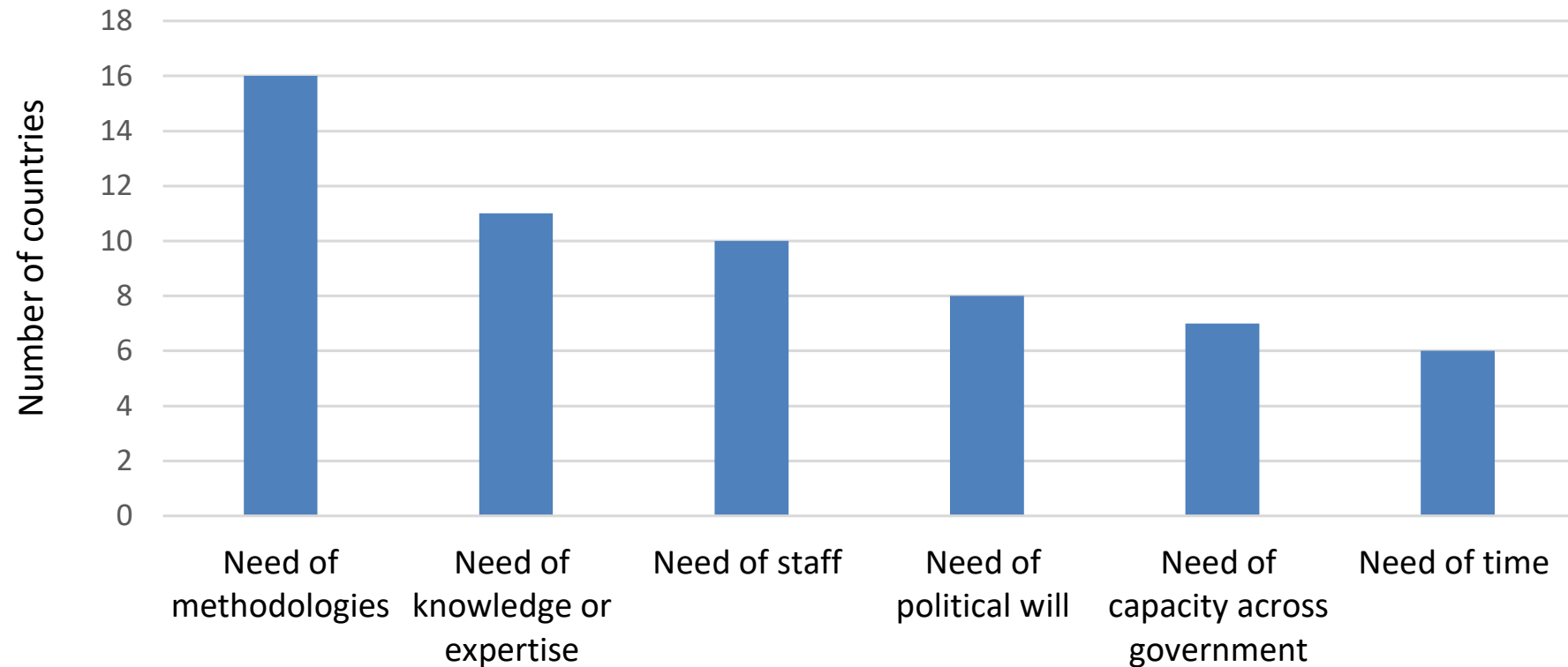


**Source:** 2023 European Commission survey on green budgeting



# Key challenges

**... to introduce and/or implement green budgeting**



**Source:** 2023 European Commission survey on green budgeting

# Green elements in the EGR

## - *Budgetary Framework Directive* -

# A greener and more climate-resilient budget

**Recital 19 of amended Directive** points out that “green budgeting tools can help redirect public revenue and expenditure to green priorities”.

**Art 9(2)d of amended Directive requires MS to produce assessments** specifying, to the extent possible, the macrofiscal risks from climate change and its environmental and distributional impacts, and the implications of planned policies on sustainable and inclusive growth.

**Art 14(3) of amended Directive requires MS to publish:**

- Information on disaster and climate-related contingent liabilities to the extent possible;
- Published information shall, to the extent possible, take into account information on fiscal costs incurred due to disasters and climate-related shocks.

# Where next?

# Planned way forward

- **Joint work:** *‘Green Budgeting in the EU: a coherent approach for improved policy making’*
  - Outcome of the conference;
  - Input from Member States on best practices;
  - Commission Services.
- Identifying **green/brown/uncertain budget items**.
- **3<sup>rd</sup> survey** in 2025.
- **Where do we stand after 5 years?**
  - Overview of practices wrt. GBRF, in 2025.
- Continue the **exchange of experience** and good practices.

# Thank you!



© European Union 2020

Unless otherwise noted the reuse of this presentation is authorised under the [CC BY 4.0](https://creativecommons.org/licenses/by/4.0/) license. For any use or reproduction of elements that are not owned by the EU, permission may need to be sought directly from the respective right holders.

Slide xx: element concerned, source: e.g. Fotolia.com; Slide xx: element concerned, source: e.g. iStock.com