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Political situation in the EU – peat industry viewpoints

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Political tensions rising – towards the 2024 EU elections





The EU Commission for 2024–2029 – dogmatism vs. pragmatism

- The current Commission's ambitious Green Deal is largely adopted, but has faced an increasing amount of criticism towards the end of the Commission's term.
 - Battle over the EU's Nature Restoration Law (most notably opposed by the EPP and the EU's agricultural sector) increased confrontations between the different EU institutions.
 - Similarly, some Member States, including France, have called for the EU to focus on implementing the already adopted green legislation and stop introducing new ambitious targets.
- The EU will introduce new legislation in 2023–2024 affecting food production and the use of peat. Ongoing crises & shortcomings of the Green Deal will affect the scope of the regulation.
 - Russia's continued aggression in Ukraine → increased concerns over global food security.
 - Difficulties in combining the EU's green goals with agricultural practices → overlooking regional specificities & realities of production.
 - Summer heat waves & drought → benefits and strengths of greenhouse growing and of horticultural peat as a growing media raw material.

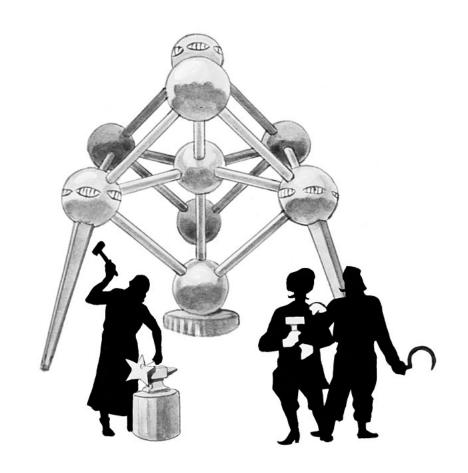


Political landscape in the European Union

- EU elections will take place in June 2024. The current European Parliament will stop its legislative work during April-May to concentrate on campaining.
 - The centre-right European People's Party is leading the polls, although its lead has diminished.
 - The more right-of-centre European Conservatives and Reformists Group (ECR) are currently set to gain the most new seats. The Greens are projected to be the biggest losers.
 - The upcoming Parliament will be more fragmented and gaining a large majority for ambitious policies could become more difficult. On the upside this might lead to more realistic and local decision making.
- Multiple noteworthy elections in EU Member States.
 - Spain; undecisive elections, win for the centre-right PP, but difficulties in forming a majority government.
 - The Netherlands; elections in November, tight race between a coalition formed by the GreenLeft and the left-of-centre Labour Party and the conservative-liberal People's Party for Freedom and Democracy.
 - Elections also upcoming in Slovakia, Poland, and Germany (regional).



What has been achieved so far – work of the Peat Alliance





Notable progress – spreading awareness & battling misconceptions

Sustainable Finance Taxonomy

- Platform on Sustainable Finance's anti-peat recommendations (use of horticultural peat as causing significant harm) not included in the Commission's official recommendations published in June.
- Original proposal would have had major negative consequences for the sector's financing and would have negatively influenced all upcoming EU legislation.

Land Use, Land Use Change and Forestry Regulation (LULUCF)

• Gathering support among MEPs to reject the anti-peat proposals made by the file's rapporteur (banning the use of peat in horticulture & peat extraction in the EU).

Nature Restoration Law

• The European Parliament discarded the mandatory rewetting/restoration targets for peatlands under agricultural use. Spreading awareness on the peat industry's expertise on restoration.



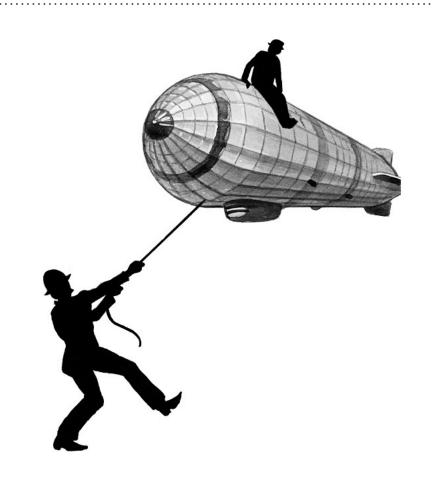
Notable progress – spreading awareness & battling misconceptions

Ensuring Food Security and Long-Term Resilience of the EU Agriculture

- Gathering a coalition of MEPs to acknowledge the role of growing media in ensuring EU's food system resilience and for efficient and sustainable growing practises.
- In the adopted report, the European Parliament calls the EU Commission to 'guarantee the EU production and supply of these [growing media] materials'.
- Initiating multiple written questions to the Commission together with MEPs from different political groups & Member States, emphasising the importance of horticultural peat and presenting a realistic picture of the EU's growing media markets.



Future policy developments – towards a more supportive regulatory framework



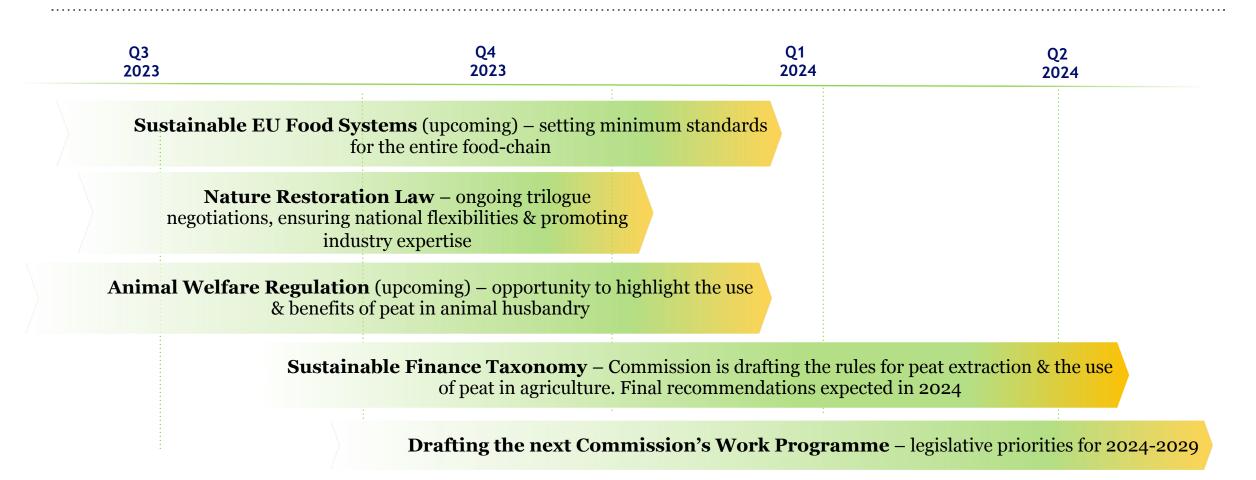


EU after the Fit for 55-package

- EU institutions are currently working hard to complete the policies set in the European Green Deal, to achieve a 55% reduction in greenhouse gas emissions by 2030.
- Important to remain active and offer scientific data & realistic solutions regarding the use and production of peat.
 - The level of knowledge in the EU institutions regarding horticultural peat & growing media has been low and this has been taken advantage of by few influential anti-peat NGOs and Member States.
- A new legislative cycle (2024–2029) in the EU offers the peat industry a possibility to make sure that future policies are based on facts and the important role of horticultural peat is taken into account.



Examples of notable ongoing EU policies





Summary – key takeaways & next steps

- EU policies affecting the production and use of horticultural peat will increase, especially in the field of agriculture & food production.
- Important to further activate like minded stakeholders and decision makers both on the national and EU level.
- 2024 will be a crucially important year in setting the tone for the next Commission's term and for making sure that future policies are realistic & based on up-to-date information.
- More scientific data is needed to be offered to EU legislators and to battle the simplifications of the anti-peat actors.



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