

THE EUROPEAN GREEN DEAL AND ITS IMPLICATIONS FOR REGULATION, STATE AID AND COMPETITION POLICY: DO THE RULES NEED TO CHANGE?

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Legal Briefings

This article is an adapted version of a briefing paper prepared with the economics consultancy, Oxera, in connection with our joint webinar event on the European Green Deal and its implications for regulation, State aid and competition policy. The webinar, which will feature speakers from the European Commission, the judiciary and private practice, will take place this Thursday 9 July 2020 from 11:00 to 12:30 CEST and the registration link is available [here](#).

The [European Green Deal](#), launched by the new Von der Leyen Commission in December 2019, was positioned as a chance to “reset” the EU’s commitment to tackling climate and environmental-related challenges. This ambition found reflection in a series of potentially far-reaching proposals, at the heart of which is the goal to achieve climate neutrality by 2050.

Central to the European Green Deal will be the development of an industrial strategy and a regulatory framework to enable firms to deliver the technologies, infrastructure, market arrangements and networks necessary to achieve greater sustainability. At the same time, managing the transition and mitigating the impacts of the consequent structural changes on business models and dependencies will require a substantial, if not equally significant policy response. On both sides of this equation, EU regulation, State aid and competition policy have the potential to make a significant contribution in reformulating markets and shaping public interventions to deliver the desired outcomes as well as in setting parameters for collaboration between firms to achieve sustainability aims.

In the meantime and since the launching of the European Green Deal, the COVID-19 pandemic has raised unique challenges to which the EU regulatory, State aid and competition policy landscape have had to adapt at speed. In particular, the European Commission has established “temporary frameworks” in both the [State aid](#) and the [competition law](#) areas which provide for certain relaxations of the rules targeted to what is necessary to respond to the exceptional circumstances resulting from the COVID-19 outbreak while attempting to limit consequent distortions to competition.

Against this background, this briefing paper provides some thoughts to stimulate the discussions on three key questions which are expected to be central to the debate:

- What are the implications of the European Green Deal?
- In the light of the European Green Deal, is it necessary to reform State aid and competition law rules, and what are the risks of doing so?
- What, if any, lessons are emerging from the response to COVID-19 that are relevant to any potential reforms of State aid and competition policy to support the green transition?

[Read the full briefing](#)

KEY CONTACTS

If you have any questions, or would like to know how this might affect your business, phone, or email these key contacts.



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