

## Climate risk management and reconciliation of climate protection and competitiveness

### Brief description and main aims:

Climate change is the most pressing issue of our time and the greatest existential threat to the world, including Europe, which is the fastest warming continent in the world. Climate risks threaten the Union's energy and food security, ecosystems, infrastructure, water resources, financial stability and human health. According to the EU, many of these risks have already reached critical levels and could become catastrophic if urgent and decisive action is not taken.

This is why the European Commission launched its new sustainable growth strategy, the European Green Deal, in 2019, with the aim of putting Europe on a path to climate neutrality by 2050 and transforming it into a circular economy. In its report 'Towards climate neutrality: progress, policy gaps and opportunities', the European Scientific Advisory Committee on Climate Change warned that additional measures are essential if the EU is to achieve its climate neutrality target by 2050.

### Why FIEC is dealing with this topic:

In April 2024, the European Court of Human Rights ruled that failure to act on climate change is a clear violation of human rights, a decision that could open the floodgates to a number of new court cases around the world, with implications for industry in the EU.

The built environment is also particularly vulnerable to the effects of climate change: More frequent and extreme weather events increase the risks to Europe's built environment and critical services, including energy, water and transport. While coastal flood risks in Europe are relatively well managed, sea level rise and changes in storm patterns can have devastating impacts on people, infrastructure and economic activity. In southern Europe, heat and drought pose significant risks to the economy.

The EU will have to learn to live with climate change and adapt to its impacts while continuing to mitigate them. However, implementing new environmental legislation and changing business models comes at a cost, which can have a negative impact on the competitiveness of European contractors. FIEC has therefore called on EU legislators to strike the right balance between climate change measures and industrial competitiveness.

### Actions and key dates:

**11/12/2019** → European Commission publishes *European Green Deal*.

**14/07/2021** → European Commission publishes “Fit for 55” package with 13 legislative proposals.

**20/01/2022** → [FIEC Position Paper](#) on “Fit for 55” package.

**Early 2024** → Reports by the European Scientific Advisory Board on Climate Change and the European Environment Agency (EEA) on climate neutrality and climate risks.

**20/02/2024** → Business and industry federations publish “[Antwerp Declaration for a European Industrial Deal](#)” signed by FIEC.

**27/02/2024** → [FIEC Position Paper](#) on the “EU Blue Deal”.

**12/03/2024** → Communication by the European Commission on managing climate risks.

**09/04/2024** → Ruling by the European Court of Human Rights on climate change and human rights.