

A globe is centered in the background, with a lush green forest scene reflected on its surface. The forest features tall, thin trees and a ground covered in blue flowers. The globe is set against a blurred background of more trees.

**What has been achieved so far?**

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

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# 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 \(europa.eu\)](#)

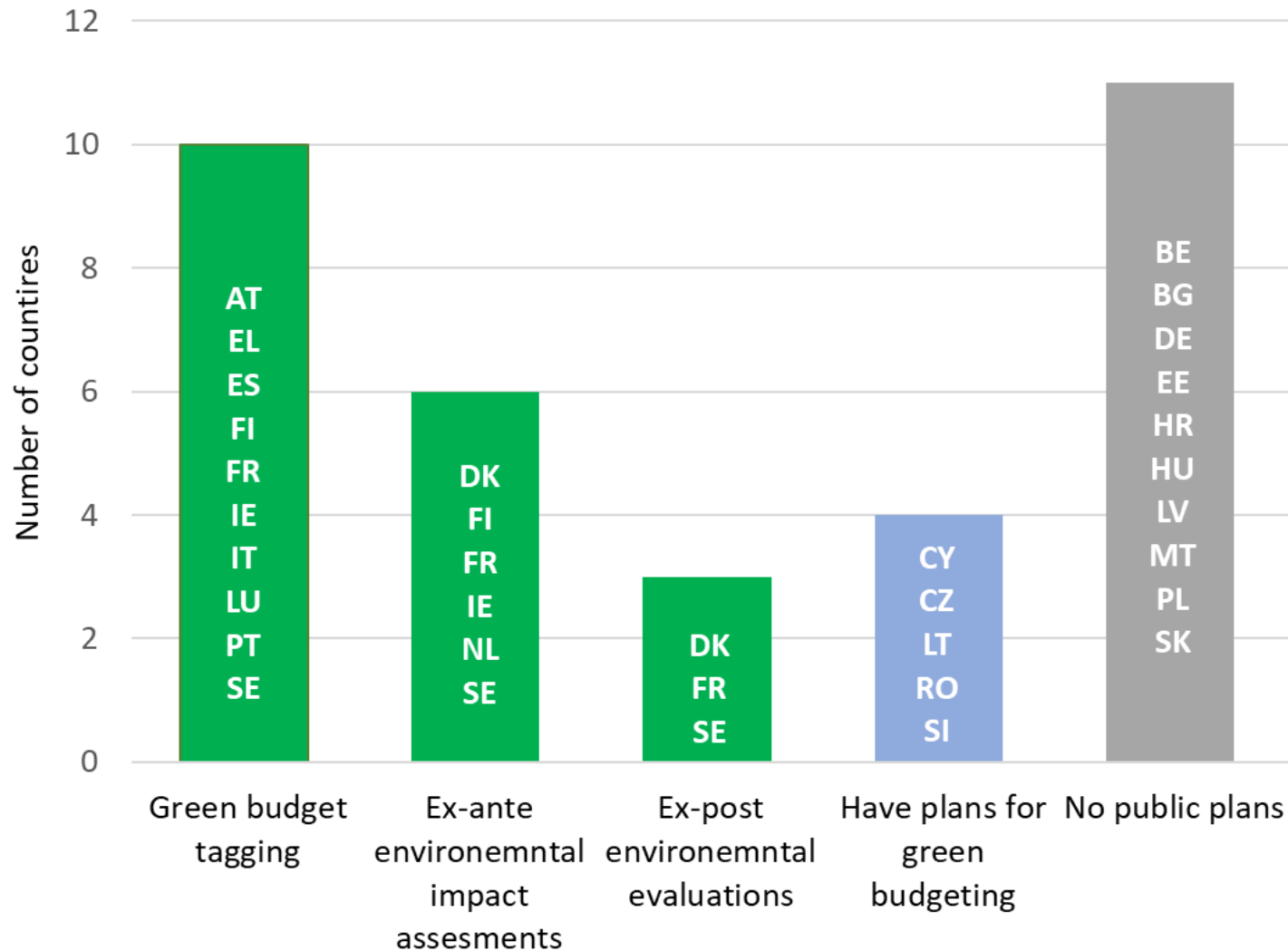
# Commission work on Green Budgeting

- Development of a [Green Budgeting Reference Framework \(GBRF\)](#)
- Ongoing technical support to (23) Member States based on the GBRF
- Annual green budgeting conferences and continued exchange with MS
- Analytical work
- Green budgeting survey + public database
- Collaboration with the OECD, IMF, World Bank, non-EU countries
- [Green Budgeting Website](#)

# State of play in the EU

- 2023 Commission survey -

# Green Budgeting practices



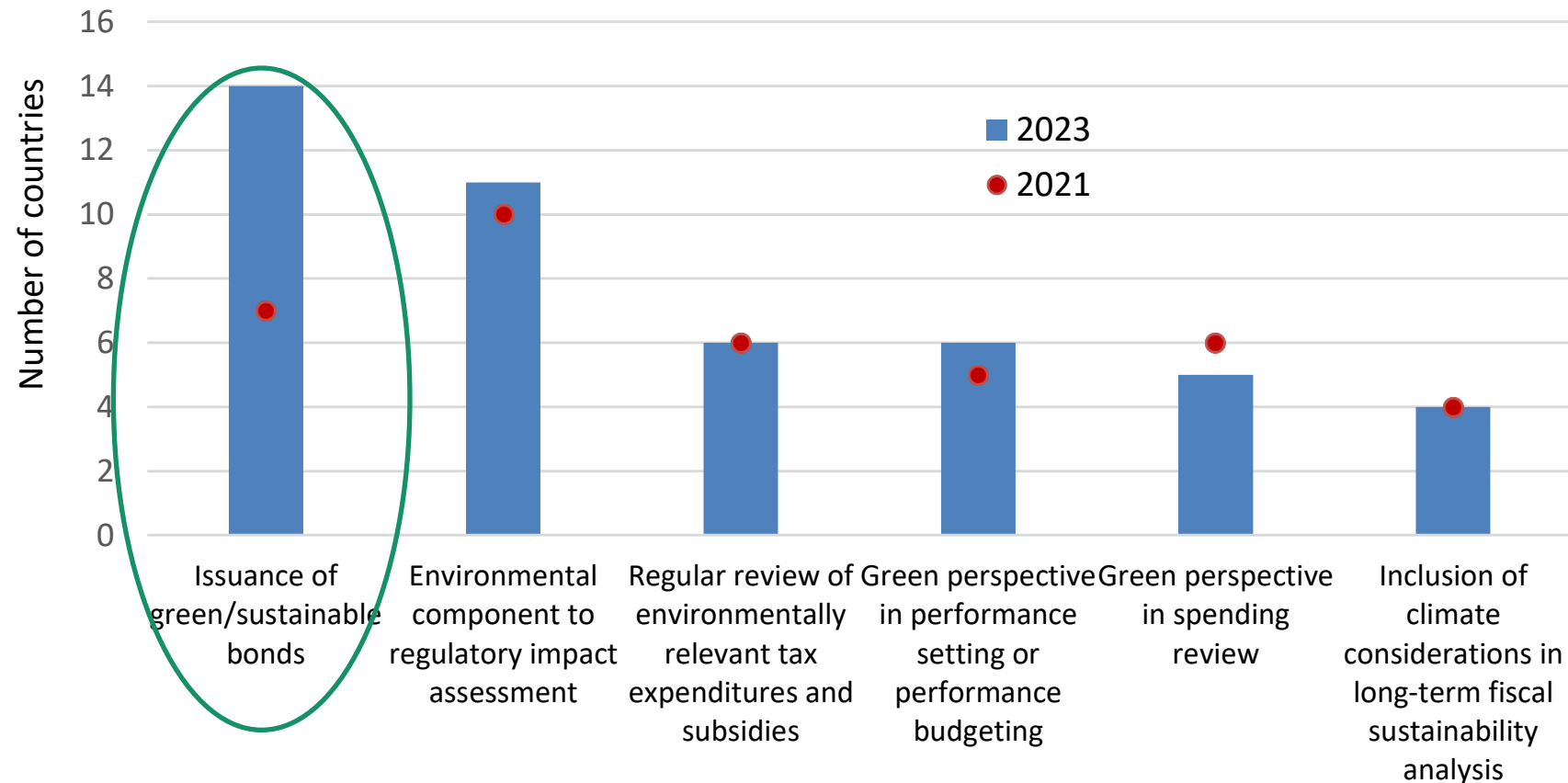
**Note:**

Slovenia is already implementing green budgeting.

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

# Other tools

... relevant to the greening of public finances

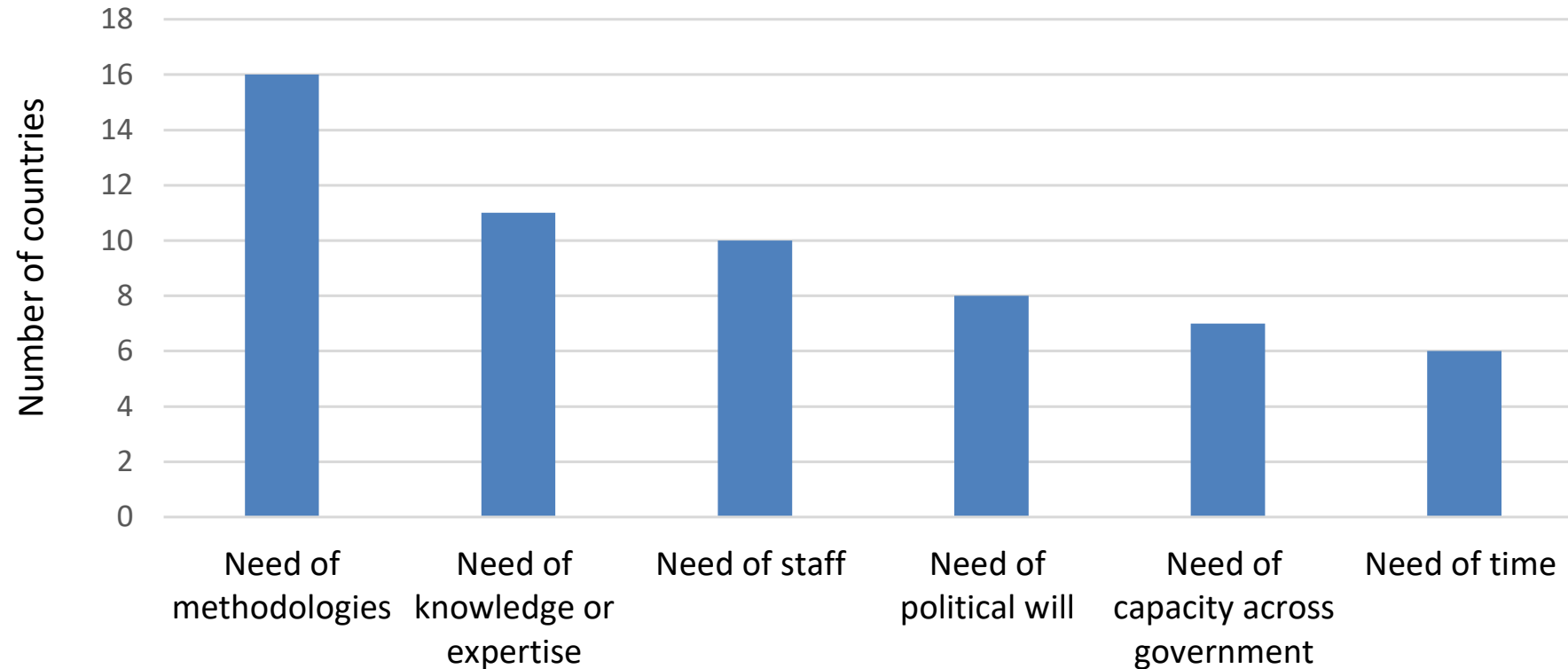


Source: 2023 European Commission survey on green budgeting



# 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!



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