

Dutch Climate Bill and Outline Climate Agreement: it's not easy being green

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A bill was presented to the Dutch parliament on 27 June 2017 establishing a framework for developing policy aimed at irreversibly and gradually reducing Dutch greenhouse gas emissions to reduce global warming and climate change. Known as the Climate Bill, its main objective is to reduce greenhouse gas emissions levels by at least 95% by 2050 (as compared with 1990). The Climate Bill itself does not contain specific measures to ensure that the objectives are reached. Discussions in sector-based groups have led to an Outline Climate Agreement, which was presented on 10 July 2018. The outline agreement specifies in which areas reduction can take place, but it does not yet suggest specific measures on how to reach the reduction targets. It therefore remains uncertain what the impact on industry and society will be.

The [Climate Bill](#) also provides for a 49% reduction of greenhouse gas emissions levels (as compared with 1990) by 2030 and 100% CO2-neutral electricity production by 31 December 2050. These are target values that serve the main objective of a 95% reduction of greenhouse gas emissions levels by 2050.

Furthermore, the bill contains an obligation for the government to issue a climate plan every five years. In this plan, the government must specify its climate objectives and associated measures for the next five-year period and give direction to the climate policy for the next ten years. The government must inform the Dutch parliament on the latest developments annually. In the bill, the Dutch Council of State is appointed to advise the government on its compliance with the Climate Act once it has entered into force.

The bill itself does not contain specific measures to ensure that the objectives are reached. It therefore remains uncertain what the impact on industry and society will be. On 10 July 2018, a proposal for an [Outline Climate Agreement](#) was presented. This outline agreement is the result of discussions between local and regional governments, NGOs, industry, and other parties and companies on how to reach the bill's climate objectives. The discussions are facilitated by the Social and Economic Council (SER) and held in five sector-based groups: built environment, manufacturing industry, agriculture, mobility and electricity. In the outline agreement, the parties have specified in which areas reduction can take place, but the agreement does not yet suggest specific measures on how to reach the reduction targets.

For most of the topics covered by the outline agreement, it remains unclear if the measures to reach the bill's targets will be laid down in further legislation or in agreements between the government and the relevant parties. The discussions in the

sector-based groups will continue after the summer and hopefully lead to more specific suggestions. The sector-based group on agriculture has paraphrased Kermit the frog by saying: "it's not easy being green". It is likely that the road to reach the bill's targets will be long and bumpy. For green technology investors, it will therefore continue to be difficult to obtain certainty.

Experts



Nicolien van den Biggelaar
Partner
T: +31 20 577 1339
E: nicolien.vandenbiggelaar@debrauw.com



Anja Mutsaers
Practice Partner
T: +31 20 577 1904
E: anja.mutsaers@debrauw.com



Arjan Kleinhout
Counsel
T: +31 20 577 1348
E: arjan.kleinhout@debrauw.com



Claire van der Hoeven
Senior Associate
T: +31 20 577 1991
E: claire.vanderhoeven@debrauw.com



Jasper van Uden
Senior Associate
T: +31 20 577 1576
E: jasper.vanuden@debrauw.com