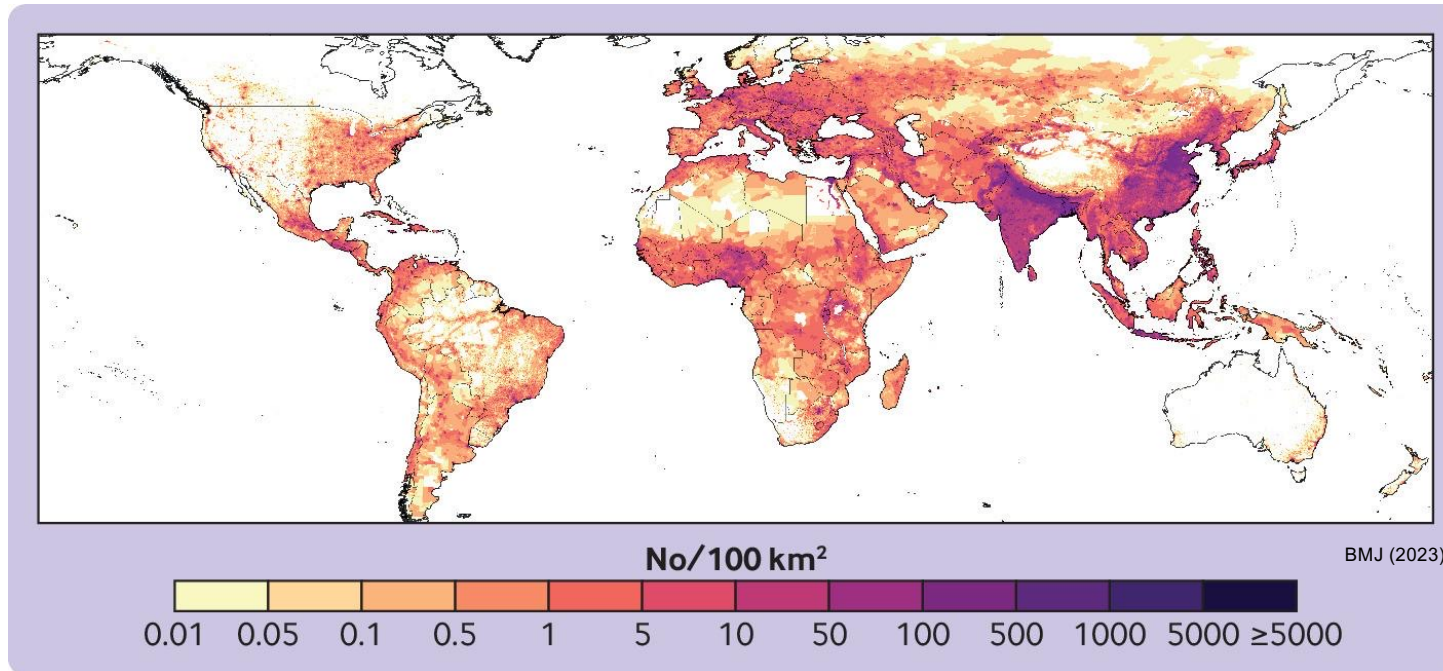




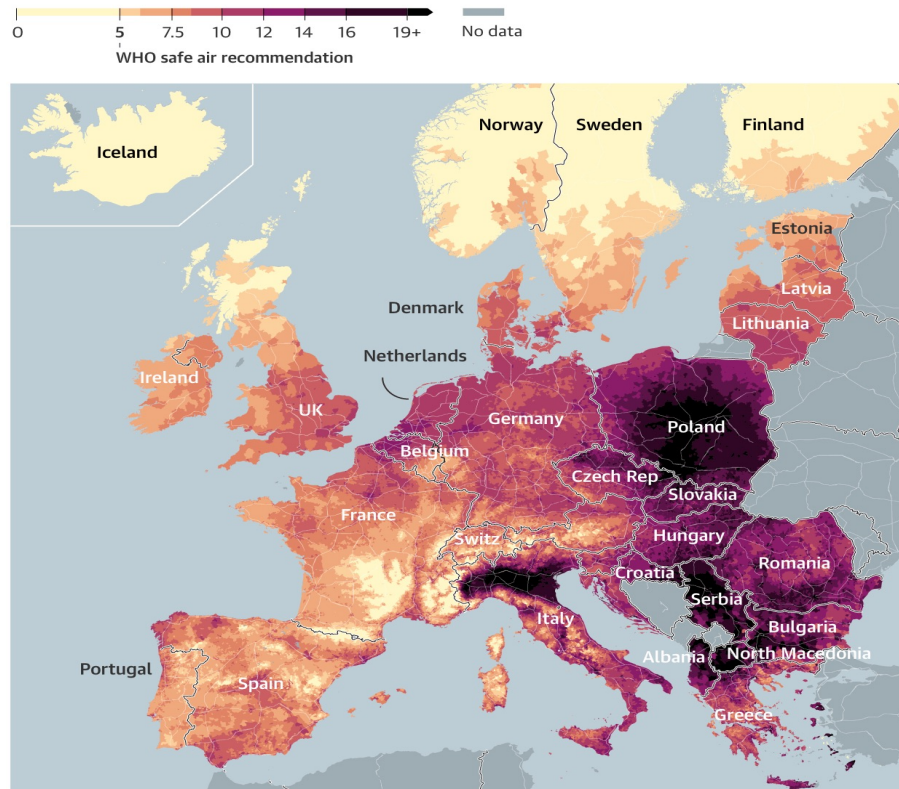
EU air pollution : financing and policy

Public Event – 20 June 2024

Why care about air pollution ?



World : 7.8 million deaths (13% total) and \$ 8 trillion losses (6% GDP) attributed to PM2.5 every year



EU 27 : 250,000 deaths (6% total) and \$ 600 billion losses (3% GDP) are attributed to PM2.5 every year



What is air pollution, and where does it come from ?

- ❖ Air pollution is large variety of substances suspended in the air: **PM2.5 is the most harmful**
- ❖ Air pollution damages the environment, health, and the **economy**
- ❖ Clean air is a **public good**, comparable to climate **but** more **localized, visible, short-lived**
- ❖ Air pollution comes from all sectors

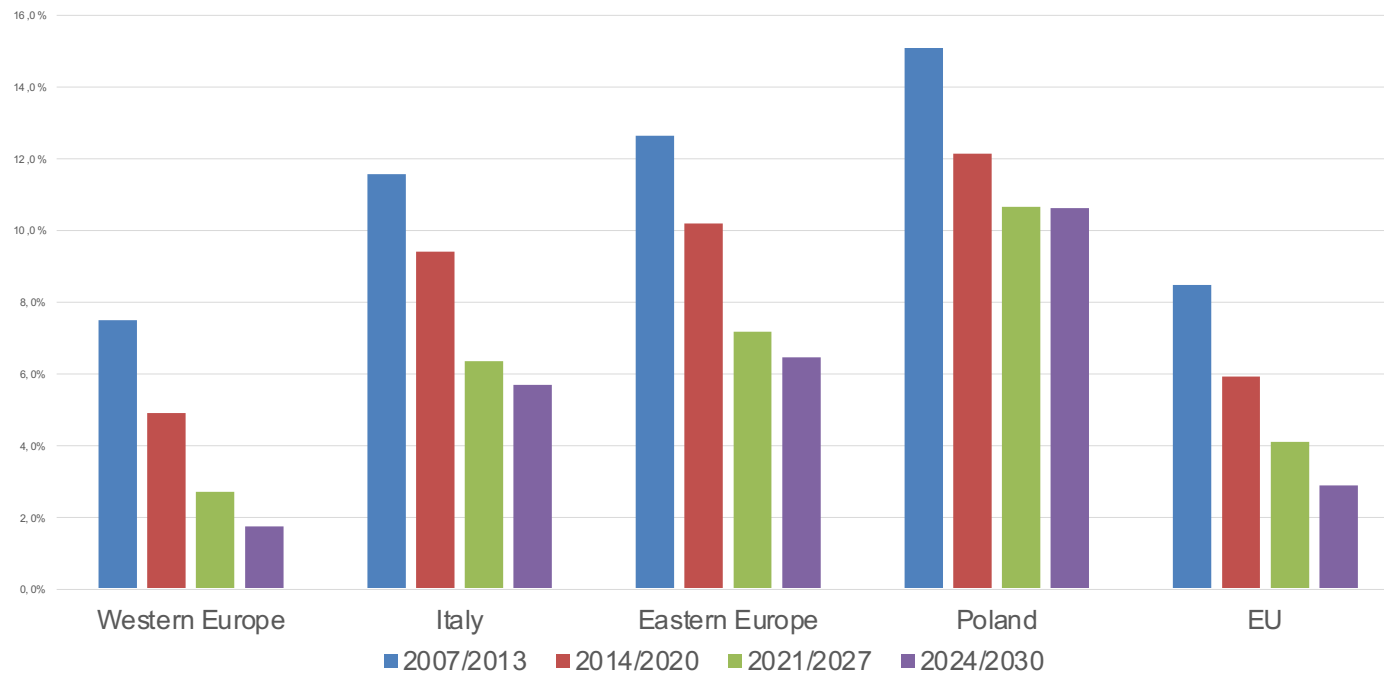
Despite progress over last decades, air pollution costs remain immense



PART 1 : Air pollution Costs *Vs* Funding



Cost of air pollution (as share of GDP)



Source: Bruegel WP (June 2024)

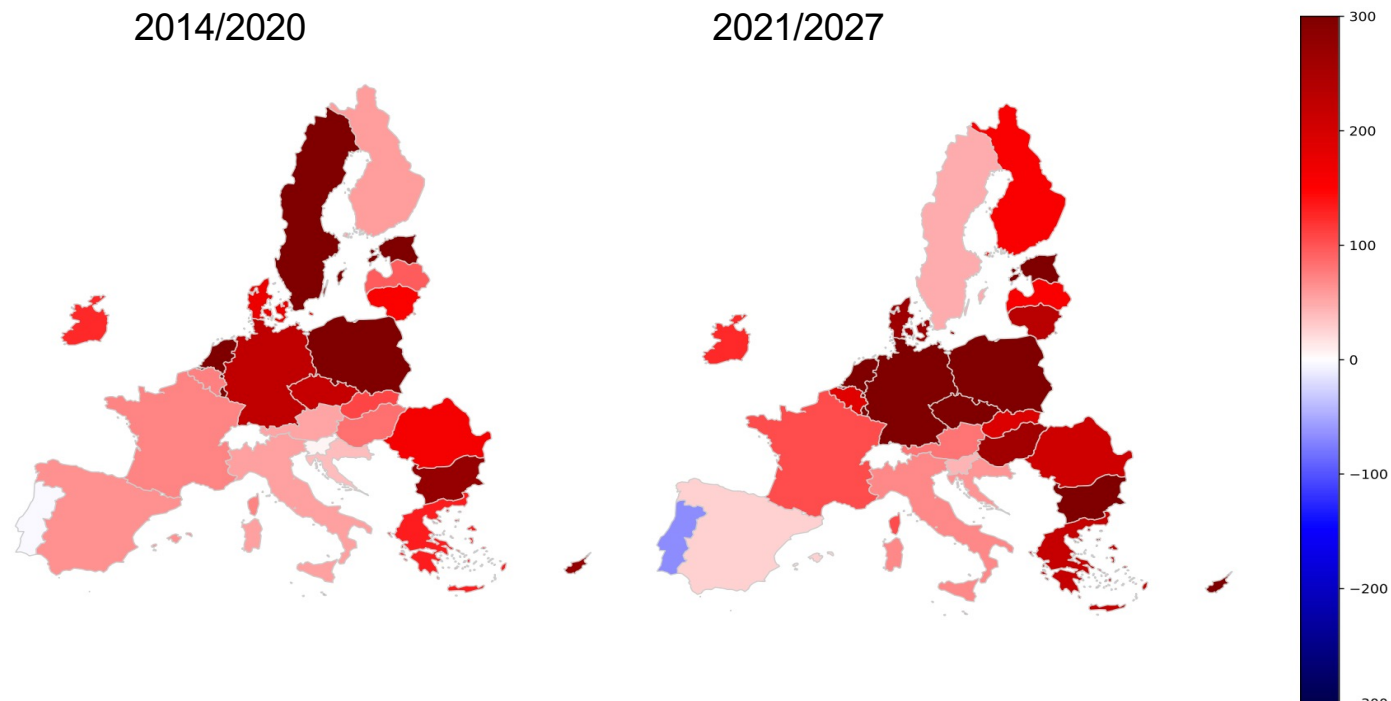


EU funds **Vs** subsidies to fossil fuels

- **EU clean air funds were 3x higher in 2021/2027** compared to 2014/2020
- **EU clean air funds were well allocated:** MS with higher costs are most supported
- But **subsidies to fossil fuels are still 5x higher** than EU clean air funds



EU funds Vs subsidies across MS (€ million per 100,000 hab.)



Source: Bruegel WP (June 2024).

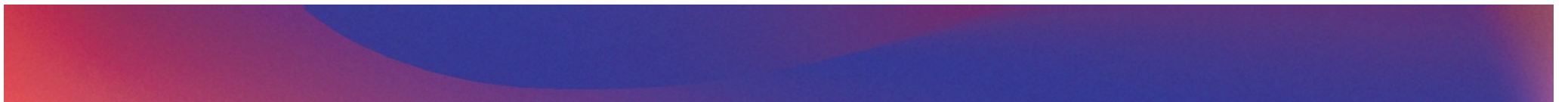


PART 2 : Current challenges and obstacles



EU clean air strategy : 3 complementary pillars

- 1) **Ambient Air quality directives** → revised in 2024
- 2) **National emissions ceiling directive**
- 3) **Emissions standards for key sources of pollution**



Air pollution disparities

❖ **Hotspots** (eg. north of Italy, Eastern Europe)

❖ **Political resistance** (eg. exceptions and postponements for limit values)

But implementation of AAQD requires national cooperation

