

**ANSWERS TO THE EUROPEAN PARLIAMENT  
QUESTIONNAIRE TO THE COMMISSIONER-DESIGNATE**

**Frans TIMMERMANS**

**Executive Vice-President-designate for the European Green Deal**

**1. General competence, European commitment and personal independence**

**What aspects of your personal qualifications and experience are particularly relevant for becoming Commissioner and promoting the European general interest, particularly in the area you would be responsible for? What motivates you? How will you contribute to putting forward the strategic agenda of the Commission? How will you implement gender mainstreaming and integrate a gender perspective into all policy areas of your portfolio? What guarantees of independence are you able to give the European Parliament, and how would you make sure that any past, current or future activities you carry out could not cast doubt on the performance of your duties within the Commission?**

**A: qualifications/experience/motivation**

I am honoured to have been given the opportunity to serve the European Union and European citizens for another five years as a Member of the College of Commissioners. As I told Members of the European Parliament in 2014, I believe that my personal and professional life have provided me with all the appropriate skills, knowledge, attitude and passion to fulfil the role of First Vice-President of the European Commission. I can now add that my conviction and motivation have only been reinforced by serving in the Commission in these past years and working for a better Europe. The experience of campaigning in the European elections this year and talking to so many Europeans in their home countries about their hopes and dreams for the future of our continent also inspired me. The Green Deal portfolio that I have been assigned by President-elect von der Leyen is one that I welcome very much, representing the responsibility and the opportunity to shape the transformative agenda that our continent and planet desperately need. The facts about climate change are undeniable, but, as written in the Commission reflection paper 'Towards a Sustainable Europe by 2030' they should not instil in us worry and fear, but inspire us to act instead.

Europe is in my genes, and in my heart. My family comes from the border region of the Netherlands, a community which has suffered in living memory from the consequences of a divided Europe. This has long motivated my passion for a united Europe. I was born in Maastricht and spent parts of my childhood in Belgium and Italy before going on to study in France. My grandparents and parents lived through the economic, cultural and social transition brought about by the phasing out of coal mining in their home region; a memory which will remain with me as I work to deliver on Europe's own green and just transition, ensuring that nobody is left behind.

After my studies I served in the Dutch army for almost two years. In 1987 I joined the Dutch Foreign Service at the onset of a historical change in Europe, where finally the

continent became one again. I still believe this was one of the most important and positive developments in post-war Europe. I became private secretary and advisor to Max van der Stoep, former Dutch Foreign Minister and then High Commissioner on National Minorities for the Organization for Security and Cooperation in Europe (OSCE) in the mid-nineties. In 1998, I was elected as a Member of Parliament for the Dutch Labour Party, where I was honoured to sit for a total of 11 years. I was a member of the European Convention on behalf of the Dutch House of Representatives.

As Member of Parliament, as Minister for European Affairs from 2007-2010, and as Minister of Foreign Affairs from 2012-2014, I have had the extraordinary privilege to exchange views about the European Union with other politicians, with students, journalists and citizens from all walks of life with a broad spectrum of beliefs. I strongly believe in the fundamental values as laid down in Article 2 of the Treaty on European Union, and have defended them vigorously in my term as First Vice-President of the Juncker Commission. I will continue to fight for them in whatever capacity I hold, as they are part of what makes us who we are as Europeans.

We have all seen how in the past years our values have come under duress, how the forces of intolerance, illiberalism, xenophobia, and nationalism are attracting followers with some truths, but many outright lies and simplistic solutions. While the old saying goes that “facts are stubborn things”, we have now entered the realm of ‘alternative facts’. All of this means we have to protect our democracies at home and in the EU. More than ever, we also need to reinforce our global rules based order, the precondition of free and fair trade, peace, and human rights. Instead of destructive forces, we need construction and transformation, to secure a free, peaceful and prosperous future for our children and grandchildren, in a world where one can breathe clean air, drink fresh water, and live life sustainably.

I am proud to have served as First Vice-President in the Juncker Commission and I believe that we have done our best to defend our common values. We have also done our best to lay the foundation for the sustainability transition and a circular low carbon economy. Our initiatives on single use plastic, on the sustainable development goals, on deforestation but also on a better work life balance make a concrete difference in people’s lives; healthier, happier and greener lives. It was a joint effort, with political forces coalescing. I would welcome the opportunity to continue to work for the cause of the European Union, and to contribute to building a sustainable Europe and a sustainable planet in a Union where no one is left behind.

This is not something that EU institutions can do in isolation, nor can they do it alone. The Union can only prosper if it is a joint undertaking between the EU Institutions, our Member States and our citizens. If the European Parliament confirms me as Member of the Commission, I want to continue to speak directly to and for citizens in Europe, our primary stakeholders, and listen to their concerns, their hopes, and their solutions. For they not only have a stake in this Union, but a responsibility too; for democracy in Europe will not just be created on the drawing board, but by our collective efforts as citizens instead of just consumers. I look forward to continuing the rich political discussions which I have enjoyed with the European Parliament in this respect.

## **B. Contribution to the strategic agenda of the Commission (based on Mission letter and portfolio)**

As a lead candidate in the recent European elections, I was able to witness first-hand how important the issue of climate change and sustainability is to European citizens, all across

the Union, from North to South and East to West. I am very happy that the Political Guidelines of President-elect von der Leyen put the transformative green agenda at the top of our list of priorities for the next five years. I am even happier that I am able to contribute directly to the work in this field as the Executive Vice-President for the European Green Deal and responsible for the Directorate-General for Climate Action.

Protecting our planet and our shared environment is our generation's defining task. My children already hold me accountable. It is an urgent moral, human and political obligation, which Europeans have resoundingly told us that they want their Union to fulfil. It is also a long-term economic imperative: those who act first and fastest will be the ones who grasp the opportunities from the ecological transition. This is not a left or right issue, it is a right or wrong issue. The world is in a flux and we are in the midst of the fourth industrial revolution. Everything is changing for everyone. Pretending otherwise is an abdication of common sense. The question is whether we are a victim of change, or whether we will embrace and guide it. This Commission clearly opts for the latter option.

As the President-elect said when she presented the College of Commissioners-designate, the *European Green Deal* should become Europe's hallmark. At the heart of it is our commitment to becoming the world's first climate-neutral continent. It will require collective ambition, political leadership and a just transition for the most affected.

As Executive Vice-President, I will have a dual function. As stated in my Mission Letter I will set the strategic direction and chair the Commissioners' Group on the European Green Deal. In addition, I will be responsible for the climate action portfolio. My experience as Foreign Minister will aid me in leading the international negotiations to increase the level of ambition of other major emitters by 2021. In leading the work on the European Green Deal, I will endeavour to ensure that all policy dimensions are fully taken into account. This European Green Deal should be presented to Parliament in the first 100 days of the new Commission mandate and we will also propose in this timeframe the first European Climate Law, to enshrine the 2050 climate-neutrality target into legislation.

I will then drive the implementation of the European Green Deal portfolio as presented in the political guidelines set out by the President-elect von der Leyen, and the Mission Letter addressed to me. As the President-elect has made clear, this new Commission will work as one team, and I will work closely with all Commissioners on our shared agenda.

### **C. Gender Equality**

President-elect von der Leyen has put gender equality high on her agenda and committed to lead by example by forming a fully gender-balanced College. I intend to apply the same principle to my team, including at the senior levels.

In addition, I am fully committed to take the push for gender equality further in my portfolio area, as I believe the Commission has to be a leading force in ensuring gender awareness and ensuring that women and men are valued and treated equally. It is an important notion that even in the 21<sup>st</sup> century is too often still not a matter of fact, but a matter of discussion.

The 'Strategic engagement for gender equality 2016-2019' was presented under my coordinating responsibility as a First Vice-President. It requires mainstreaming gender equality in all aspects of EU interventions, in line with the principle of gender

mainstreaming enshrined in the Treaty on the Functioning of the European Union. But still much more must be done, and I look forward to a new gender strategy which presents a welcome and necessary opportunity to strengthen this agenda further.

Specifically in my portfolio, I will pursue a twin-track approach on gender and climate change. I envisage taking measures designed to redress gender inequalities that are exacerbated by climate change, but also incorporating gender and climate issues into all aspects of our European development policy. In this respect, an example is the support to women's engagement and gender equality in international negotiations under the United Nations Framework Convention on Climate Change and its Gender Action Plan.

#### **D. Guarantees of independence**

Serving as the current First Vice-President of the Commission, my personal organisational and financial arrangements are already on record in the declaration of interest I have submitted to the European Parliament; this declaration is complete, and I will ensure that it is updated annually or additionally whenever changes occur. If I am confirmed as Member of the Commission, I will fully respect the letter and spirit of the Treaty, in particular the obligation to act in the European interest and without taking any instructions as laid down in Articles 17(3) of the Treaty on European Union and Article 245 of the Treaty on the Functioning of the European Union, and the obligation of professional secrecy in Article 339 thereof. I will avoid any position or situation, which could put in question my independence, impartiality and availability to the Commission and will inform the President of the Commission of any situation, which could potentially involve a conflict of interest in the performance of my official duties. I will thus respect and honour the word and spirit of the Code of Conduct of Members of the European Commission and commit myself to the highest ethical standards and greatest transparency in my work. This is what I have done under my current mandate and what I will continue to do as I undertake my new responsibilities for the European Green Deal.

## **2. Management of the portfolio and cooperation with the European Parliament**

**How would you assess your role as a Member of the College of Commissioners? In what respect would you consider yourself responsible and accountable to the Parliament for your actions and for those of your departments? What specific commitments are you prepared to make in terms of enhanced transparency, increased cooperation and effective follow-up to Parliament's positions and requests for legislative initiatives? In relation to planned initiatives or ongoing procedures, are you ready to provide Parliament with information and documents on an equal footing with the Council?**

For the past five years it has been my honour and privilege to serve Europe's citizens as a Member of the College of Commissioners and to work in close partnership with the European Parliament and its members across the wide range of issues which fell under my portfolio as First Vice-President. I have been, and will continue to be, a vocal champion of the role of the European Parliament as the directly-elected voice of European citizens and as the body that holds the European Commission to account through its democratic mandate. It is in that spirit that I undertake to continue my positive working relationship with the European Parliament and its Members in the years ahead.

As I have done until now, I will consider myself accountable to Parliament as a representative of the College's work in all fields that fall under my responsibility – namely the European Green Deal – and on any other matters delegated to me by the President-elect. I will continue to make myself available to Members of the European Parliament in the Plenary Chamber, in Committee and Group meetings, in trilogues, and on a bilateral basis to discuss our ongoing work to deliver on the European Green Deal, which I am honoured to be responsible for. Under the current Commission mandate I have so far participated in 113 Plenary sessions on behalf of the Commission, many Committee meetings as part of the structured dialogue, and many group meetings and bilateral meetings with individual Members. I put great value and importance on my relationships with the Parliament.

As Executive Vice-President-designate, I will have a direct policy role for Climate Action and a responsibility for coordination of a broad portfolio and a group of Commissioners on the European Green Deal. As such, I will ensure that my project team members and I are present and engaged with all relevant Committees in the Parliament, at all stages of the policy-making process, and that we maintain a continuous political dialogue with all parts of this House. I will ensure that the Parliament is briefed at key stages of international negotiations in areas under my responsibility, in particular with regard to negotiations to increase the level of climate ambition of other major emitters by 2021. I take full responsibility for this ambitious policy and I consider myself responsible and accountable to the Parliament for my actions and those of my department.

I take my responsibilities as a member of the College very seriously. The collegiality principle will remain at the heart of this Commission and thus greatly contribute to the delivery of our commitments. The seriousness of the challenge posed by climate change requires a holistic and collective effort, and I intend to reach out to all colleagues in the College to break through any silo-mentality and work together to ensure that Europe can deliver the most ambitious policy possible across all areas.

In addition, I consider it as crucial to ensure citizens' participation in the legislative process in order to improve the democratic legitimacy of the Union. The European Climate Pact will be an example of such a participatory process. Together we will set the foundations for a climate transition for all.

I will ensure that my project team and I work in full respect of the provisions of the 2010 Framework Agreement, which sets out the basic tenets of how the European Commission and Parliament should cooperate. Furthermore, I will also ensure full respect of the 2016 Interinstitutional Agreement on Better Law-Making; I was responsible for proposing and negotiating the Interinstitutional Agreement under the current Commission and as such I attach particular importance to it. In following up on Parliament's positions, it is a collective responsibility of the Commission as a whole to ensure that the questions from Members of the European Parliament to the Commissioners are responded to swiftly and accurately. This is a commitment I take very seriously, evidently in particular for questions to which I or the Commissioners in my Group are responsible for replying on behalf of the Commission.

Transparency is an inseparable element of our common quest to improve democratic legitimacy in the eyes of European citizens. Transparency therefore has been a high priority of my work in the past five years, and I have been responsible for proposing and negotiating new rules on a mandatory Joint Transparency Register with the Parliament and Council of Ministers concerning our relations with stakeholders who seek to engage

in the policy-making process. While handing over the baton on these negotiations to another Commissioner, I will continue to uphold and defend the strong principles which the Commission has put forward, and by which we have operated in the past five years.

In the past five years, I have also worked to ensure that the Commission's policy-making procedures are as transparent and citizen-friendly as possible, by adopting and implementing a new Better Regulation Agenda. We have ensured for the first time that the public is consulted at all stages of the policy-making process; from before the first pen is lifted, throughout the entire drafting stage, and even after the Commission's proposals are handed over to the co-legislators, by collecting citizens' feedback and transferring it to Parliament and Council for consideration. The Commission has also ensured independent regulatory scrutiny and detailed impact assessments become a structured part of the legislative process, and put in place a review process to ensure that existing legislation remains fit for purpose.

As regards the transparency of our interinstitutional working methods, I am fully committed to implementing the provisions in the Framework Agreement on relations between the European Parliament and the Commission and in the Interinstitutional Agreement on Better Law-Making. Work between the three institutions is ongoing in order to set up the joint legislative portal.

I am fully aware that the provision of information and documents is an essential aspect of deepening the partnership between the European Parliament and the Commission. The Lisbon Treaty sets out the equality of Parliament and Council as co-legislators, and I will ensure that this is respected in terms of how information is shared in areas under my responsibility.

Finally, I welcome President-elect von der Leyen's commitment to start discussions with the European Parliament and the Council on improving the lead candidate system and on the issue of transnational lists. Furthermore, she has made clear her support for a right of initiative for the European Parliament, in full respect of proportionality, subsidiarity and better law-making principles. I am committed to implement this principle in line with the guidance which the President-elect will set out in the Commission's Working Methods. I fully subscribe to these objectives which gives the European Parliament the political weight which its directly-elected status merits.

Questions from the Committee on the Environment, Public Health and Food Safety

### **3. European Climate Law/ 2030 ambition**

**How will the EU Climate Law, beyond the 2050 climate neutrality target, ensure that all sectoral legislation is aligned with the long-term objective? What mechanisms do you foresee to ensure that all Member States and all sectors deliver on their share of the deep emission reductions required under the Paris Agreement and that the EU achieves net-zero emissions in all sectors as soon as possible? What concrete steps will you undertake to increase the EU's emission reductions target for 2030? How will you ensure that the Commission's input to the current CAP reform will be fully in line with the principles of the Green Deal, including climate-neutrality? How will the proposed Commission's 'One In, One Out' principle impact on existing EU legislation and on the ambition level of the Green Deal?**

I am optimistic that all Member States will very soon endorse the 2050 objective for climate neutrality at the European Council. This should be an immediate priority giving

us the strong political foundation for the wider work ahead on the European Green Deal. The political commitment of the President-elect and myself is to make the Green Deal a hallmark of the Commission. It must link our action to achieve climate neutrality with the preservation of our natural capital while ensuring a just ecological transition where nobody is left behind. This must be engrained in the thinking of all Commissioners. I will do my part to shape this new way of thinking by reaching out to others within the Commission and to the other institutions

The ambition of the new EU Climate Law, which we will present as part of the European Green Deal within our first 100 days in office, will be to transform the way we make policy and organise our societies. I will propose a Climate Law that will enshrine in legislation the 2050 climate-neutrality objective, and more importantly will set the long-term direction of travel for meeting this objective through all our policies. The European Green Deal will set out our objective to mainstream the 2050 climate-neutrality objective in all EU policies. It will commit us to ensuring a fair and just transition, including through effective deployment of the EU budget. It will underline the need for a collective effort of all sectors of the economy and society. In addition, it will set out the need for increasing resilience and adaptation to climate change, to protect our people and planet.

The EU has already shown that it is able to match climate ambition with the necessary tools and legislation, so we are not making a leap into the unknown. We have made important progress in recent years in agreeing 2030 climate and energy legislation that is estimated – if implemented rigorously – to deliver 45% greenhouse gas emission reductions by 2030 compared to 1990 levels. Now we need to build on this to deliver our increased ambitions for 2030 and the 2050 ambition of a climate neutral Europe

Governance structures will play a crucial role in ensuring that we have in place the appropriate planning, monitoring, reporting and verification systems. Member States are already preparing their National Energy and Climate Plans (NECPs) in accordance with the Energy Union Governance Regulation to ensure better coordination and coherence across climate and energy policies. Through this process many have already set long-term climate objectives at national level. I will ensure that the Commission continues to effectively support Member States in reaching the agreed level of ambition. I believe that we can integrate our new long-term objectives into this governance structure. I also believe in making our climate targets a core part of the refocusing of the European semester, alongside the Sustainable Development Goals. I will work closely with Valdis Dombrovskis to ensure this is put in place.

It will be necessary to step up our 2030 ambition to achieve climate neutrality by 2050. I will therefore work to deliver on our ambition set out in the President's-elect political guidelines to achieve at least a 50% emissions reduction by 2030, and put forward a plan by 2021 to move towards a target of 55% reduction. We have to do this in a responsible way, which brings European society along with us, and encourages more ambitious international action.

Achieving higher greenhouse gas emissions reductions is likely to require an update of all or part of our existing climate legislation. This includes the EU Emissions Trading System (ETS) Directive, and the Effort Sharing and Land Use, Land Use Change and Forestry (LULUCF) Regulations. Commission services will embark urgently on an in-depth analysis of the impact and cost – and of course also the benefits – of increasing our 2030 ambition. This applies also to the existing energy legislation, such as the Energy Taxation Directive, Renewable Energy Directive, the Energy Efficiency Directive and

possible other relevant parts of the acquis. Transformative action to accelerate the transition to a circular economy will also create synergies with the low carbon economy. Equally important is to exploit the full potential of nature based solutions. We will conduct a comprehensive assessment of the economic, social and environmental impacts and consult widely with stakeholders. We will not limit our horizons as we seek solutions. The essence of the European Green Deal is that all of us must tackle environmental and climate issues as a common task for the common good. I will look in particular at the potential role of taxation, agriculture, energy, transport, circular economy, food production and food waste, and consumer behaviour.

In this process, we must not be distracted from delivering immediately on emissions reductions through implementing the existing legislation already agreed. It is crucial that any future legislative revisions build on the actual delivery of what we have already agreed to do. Robust implementation of existing legislation is essential. I make it a question of credibility vis-à-vis our internal stakeholders and international partners. Member States are due to finalise their national energy and climate plans by the end of this year. I will ensure that the Commission continues to support them effectively in collectively reaching the level of ambition agreed at the EU level.

To achieve a climate-neutral European economy in 2050, the agriculture sector will play a crucial role. Our land is our most valuable resource, providing us with food, shelter, wonderful biodiversity, and of course helping us to mitigate climate change, if managed properly. We must protect it against pollution and not exhaust it. Sustainable land management will be critical. The proposed common agricultural policy (CAP) 2021-2027 already aims to make a substantial contribution to achieving the EU objectives on climate action, natural resources, biodiversity and animal welfare. At least 40% of the common agricultural policy's overall budget will contribute to climate action and a minimum of 30% of the rural development pillar will go to climate and environment-related objectives. I will work closely with the Commissioner for Agriculture to ensure that we maximise the climate ambitions and minimise the environmental impact of the agriculture sector, making the best possible use of instruments proposed in the future CAP. The Commission will monitor CAP spending rigorously every year, work closely with all Member States, and keep the European Parliament regularly informed.

Beyond the CAP, we need to develop a broader strategy addressing the whole food production and consumption chain. We need to pay special attention to promoting efficient and sustainable food production methods. We need to boost our support to innovation, digitalisation and smart technologies to help reduce the use of pesticides and fertilisers, and also to reduce emissions, in line with the Commission's zero-pollution ambition. The Commission will put forward a 'Farm to Fork' Strategy, as part of the European Green Deal.

Achieving our ambitious objectives will require very smart policy-making. We must avoid doing what is not needed but have the courage to do what needs to be done. And do it well. This will have costs. We must make sure that the benefits of our measures justify these costs and avoid any unnecessary burden. We must do this both for new legislation that we propose as well as for legislation that already exists. This is not about deregulation but about regulating well to avoid overburdening our businesses and citizens. This is reflected in the 'One In, One Out' principle that will alleviate these burdens.

This approach will not limit in any way our level of ambition for the European Green Deal. We hear from people and businesses (particularly small business) that reporting obligations on the implementation of EU laws can, on occasion, be high. I will explore the possibility of reducing reporting obligations in the energy and climate policy field. Our aim will be to streamline the current, often scattered reporting obligations stemming from the main pieces of EU legislation across energy, climate and other Energy Union related policy areas, which could help us to achieve a major simplification.

#### **4. Financial resources and Just Transition Fund**

**As stated in your mission letter, the European Green Deal can only work if it brings people along and ensures that no one is left behind. What measures do you believe should be included in the ‘Sustainable Investment Plan’? What role do you see for the European Investment Bank as a European Climate Bank? How would you ensure that the EU budget is fully aligned to the EU’s climate and biodiversity objectives? What measures would you take to end environmentally harmful subsidies? What concrete measures do you intend to take to ensure a Just Transition towards a carbon neutral economy and more specifically how will you coordinate the work on the new Just Transition Fund? Do you support a move to increase the number of green bonds in the European Central Banks’s portfolio and how will you ensure the environmental integrity of these green bonds?**

To deliver on the European Green Deal and to be the first climate-neutral continent by 2050, our ambitions need to be matched by an increase in investment. Saving the planet does not come cheap but the cost of not doing it is even higher. The faster we move, the less costly it will be, and the more we stand to gain. The EU needs to scale up public investment, incentivise behavioural change, and increase its efforts to direct private capital towards climate action. Whilst this represents a major challenge, it is also a major opportunity for driving innovation, jobs, growth and competitiveness within the EU.

The Sustainable Europe Investment Plan aims to support EUR 1 trillion of investment over the next decade, in every corner of the EU. The Plan will combine three types of financing: EU funds, leveraged public and private investment (in particular through the InvestEU Programme) and national co-financing. Private finance will need to play a very significant role, as public finances alone will not be enough to address the massive investment needs. I will work with Valdis Dombrovskis to ensure that our investments in all sectors of the economy will facilitate a full and just transition to a climate-neutral and sustainable EU. We must also mobilise dedicated funds such as the Innovation Fund and the Modernisation Fund established under the EU Emissions Trading System to spur, respectively, innovation of new clean technologies in industry and the power sector, and to support the modernisation of energy systems in lower income Member States.

The European Investment Bank (EIB) is already the largest multilateral provider of climate finance worldwide, committing at least 25% of its investments to climate change mitigation and adaptation. I welcome the fact that the Bank is now looking into stepping-up its efforts and aims to dedicate 50% of its total investment to combating climate change by 2025. In order to reach this higher target, we need to develop a pipeline of suitable and bankable projects. Public financial institutions, like the EIB, have a role to play in identifying such projects and helping them deliver climate and environmental benefits across the EU. In my view, the EIB, as Europe’s Climate Bank, closely linked with the Sustainable Investment Plan, could support Member States in investing and deploying disruptive and new technologies.

In this context, I would like to recall that while the EU budget is limited in size relative to total government spending – representing about 2% of public spending in Europe – it is an investment budget, with high leverage on private and public finances. It is an essential tool to deliver on the European Green Deal. The Multiannual Financial Framework proposals put on the table by the current Commission are a good basis for achieving our goals. The Commission has proposed that the EU should devote a quarter of its 2021-2027 budget (which amounts to €320 billion over 7 years) to climate-related action. This commitment is translated into climate-related spending across all EU programmes. Delivering on the Green Deal commitments will require a few targeted adjustments of the Commission's negotiating position, whilst avoiding any delay in the current negotiations which could affect the launch of the new programmes.

Sustainability is enshrined in individual programmes as well – and I will make sure that it applies at all stages of programming and implementation. We are currently developing specific guidance on ‘sustainability proofing’ to ensure that all the sustainability dimensions – climate, environmental (including biodiversity) and social – are fully taken into account in the financing and investment operations under the future InvestEU Programme. Another important component is the LIFE Programme – the only EU programme entirely dedicated to protecting the environment and climate. With its relatively modest budget, the LIFE programme is an effective means of supporting innovative projects that directly contribute to EU climate and biodiversity objectives. For the 2021-2027 period, the Commission has proposed to increase the LIFE Programme by almost 60% to reach a total of €5 billion, with increased focus on nature and biodiversity (and the energy transition).

It is now up to the co-legislators to reach final agreement on these provisions. Once the new MFF is approved, I will work diligently with my colleagues in the Commission and with the Member States to ensure that we are on track to reach the climate mainstreaming target and are making effective use of the EU budget to support the transition to climate neutrality.

The EU and its Member States have made international commitments to remove inefficient fossil fuel subsidies, under the G7 and G20 and in the Paris Agreement. Despite these commitments, subsidies to fossil fuels have shown no significant drop-off between 2008 and 2016, remaining stable at around EUR 55 billion annually. It is clear that Member States still have a lot of work to do to end these subsidies, and I will invest significant political capital to work with national governments on phasing them out. Whatever the other imperatives, I believe that paying companies to pollute our planet is something we must urgently avoid.

Under the Governance Regulation of the Energy Union, Member States are required to include in their national energy and climate plans a description of energy subsidies, including for fossil fuels, as well as national policies and measures planned to phase them out. All Member States need to do more to communicate to the Commission their existing fossil fuels subsidies and their policies to reduce them. The Commission has issued recommendations to Member States and will closely monitor progress. At the European level, I will ensure that the review of the Energy Taxation Directive proposes to align this instrument with our ambition to end fossil-fuel subsidies. I will work intensively with Member States to seek support. However, we also know that EU legislation on taxation requires unanimity between Member States, which is often a hurdle to ambition action. In this context, if Member States are serious about climate

action, we will need to address this question of unanimity. The Commission has also made proposals on this question, which I will take forward.

My underlying goal as we proceed with the green transition is to make sure that nobody is left behind, and that the opportunities it will offer are properly distributed. While citizens clearly support policy action to tackle climate change overall, we have seen that individual measures can face resistance. And as we know, not all Member States and regions start from the same point in the transition to a green economy. More than 8 million Europeans are employed in carbon-intensive sectors, such as the manufacturing of chemicals, mineral products and basic metals. Islands also face specific challenges when it comes to making the transition away from fossil fuels for their electricity or heating supply, or for the transport that links them to the rest of the continent. The success of the transition will depend on taking all these Europeans, in fact all Europeans, into account.

This will require a major effort in terms of national and European measures. At the European level, under the next Multiannual Financial Framework, many instruments will contribute to the transition: Cohesion policy, the LIFE programme, the Modernisation and Innovation Funds under the EU Emission Trading System, the Globalisation Adjustment Fund, InvestEU, and the Horizon Europe programme.

In addition to the existing tools, the new Commission is committed to putting in place a Just Transition Fund. This Fund will complement the existing instruments, concentrating on the social consequences of the transition, and enabling the most affected regions to support economic diversification and modernisation. It will notably help to fill the gap between existing skills sets of the regional workforce and the skills required in growing and transforming sectors. It should be a powerful instrument effectively supporting the people and communities most affected by the low carbon transformation, including those in industrial, coal and energy-intensive regions. Working together with the Executive Vice-President-designate for an Economy that works for People and the Commissioner-designate for Economy, I will also look at ways to deploy InvestEU for this purpose. Given the horizontal nature of the Fund, I will work closely with the Commissioners for Cohesion and Reforms, Budget and Administration, and Energy to coordinate the work on it. While work is on-going on the detail of the practical arrangements that the College will propose, I will ensure that this will be an instrument where all Commission services work hand in hand with regions and Member States to develop effective programming and identify concrete projects.

The European Central Bank takes decisions as regards the composition of its portfolio in full independence, but I note that the European Central Bank already holds a small amount of green bonds. The green bonds market is still relatively small and we should encourage its development. One of the limitations, also highlighted by Ms Lagarde in her answers to the European Parliament, is that the classification of what constitutes a green asset is not yet sufficiently clear. The President-elect has entrusted the Executive vice-President for an Economy that works for People to develop a green financing strategy to ensure we can direct investment and the financing to the transition to a climate-neutral economy. The development of a clear taxonomy should help, but we should also look at other means. For instance, the EU technical expert group on sustainable finance has published a report in July 2019 on EU green bond standards and we will analyse carefully the conclusions and take them forward as appropriate.

## 5. Transport emissions

**What concrete actions would you take to fully incorporate shipping and aviation in the EU's climate measures? The President-elect also sent a clear signal to support the right of initiative for the European Parliament. In that context, would you commit to duly consider and support amendments related to the extension of the EU ETS to the maritime sector that could be adopted by the European Parliament in the future, as stated by the Commission in Annex 2 attached to Directive (EU) 2018/410, and Decision (EU) 2015/1814? How will you ensure that DG CLIMA conserves full responsibility and leadership on the implementation and future amendments to the EU ETS?**

All sectors of the economy must make a fair contribution to the EU's climate objectives and the reduction of greenhouse gas emissions. We will need to pay specific attention to the transport sector, whose emissions are significant and still rising, and ensure that it is firmly anchored in the European Green Deal. To ensure that we have a transport sector fit for a clean, digital and modern economy, the Commissioner for Transport will put forward a comprehensive strategy for sustainable and smart mobility, and I will work closely with her on this. Despite the challenges, I truly consider this an opportunity to make positive changes in the way we all live as Europeans.

Too many of us live in cities where we cough and splutter on our daily commute due to the abundance of polluting cars. And many other Europeans live in remote or under-connected regions, overly reliant on their cars to get around because public transport is not adequately provided, or remote working solutions are not provided to them. And they often pay more than others for their fuel due to the costs of delivering it. Other Europeans would love to travel by rail for work or leisure, but find themselves constrained by economic or time imperatives to take cheap flights instead, because we have not sufficiently invested in long-distance and cross-border rail. The European Green Deal is a chance to reconnect our villages, towns and cities, rebalance the inequalities between them, and at the same time clean up the Earth's atmosphere and the air we breathe.

Transport emissions require a basket of measures, including the EU Emissions Trading System. Bringing transport emissions down in line with our climate neutrality objectives will require a comprehensive and ambitious set of policies for sustainable mobility. We need to ensure more rapid development of alternative fuels for aviation and shipping and lead markets for those fuels will need to be established in the next years. We must review the tax treatment of these fuels under the Energy Taxation Directive to align it with our climate ambitions. The European Climate Pact, which we will present, can play a crucial role in steering and encouraging the behavioural change in transport habits that is an essential part of the transition.

While aviation has been included in the EU's Emissions Trading System since 2012, under the current system 85% of the allowances are allocated for free to airlines every year. This is something we will need to reduce over time. This will be examined as part of the comprehensive review of the ETS with a view to preparing our plan to increase the EU's target for 2030 towards 55%.

We already have in place EU legislation on monitoring and reporting of greenhouse gas emissions from shipping. In February 2018, the Commission committed to consider amendments from the European Parliament concerning maritime emissions. If the European Parliament comes forward with own-initiative proposals, we would of course

commit to treat them in line with the Commission's Political Guidelines and Working Methods.

When it comes to reducing emissions from shipping and aviation, the international dimension also needs to be taken into account, since initiatives strongly supported by the EU are also underway at both the International Civil Aviation Organisation (ICAO) and the International Maritime Organisation (IMO). We will do everything in our power to convince other countries in ICAO and IMO to make more progress with these initiatives, and take this progress at international level into account as we explore further EU action.

The President-elect has entrusted me with the overall responsibility to coordinate the European Green Deal, including through the direct management of the Directorate-General for Climate Action. In leading this work, I will set the course, coordinate work, table proposals, and work closely with all Commissioners and their services to deliver on our ambitions.

## **6. Contributions of other major economies**

**Aside from your role as executive VP for the European Green Deal, you will also be leading on the international climate negotiations on behalf of the EU. How will you ensure that the level of ambition of all major emitters is increased in line with the timeline agreed under the Paris Agreement? Will you commit to a strengthened and more comprehensive climate diplomacy strategy to promote the global transition and increase global ambition? Will you ensure that Europe pushes for international climate finance goals that better reflect the urgency of the objective, and scales up its own international climate finance contributions?**

As the EU is responsible for around 9% of global emissions, we can only succeed in tackling climate change if others follow. That is why the EU needs to lead international negotiations – in line with the Paris Agreement under the United Nations Framework Convention on Climate Change – to increase the level of ambition of other major emitters by 2021.

The European Union has always been a frontrunner in terms of setting global standards, whether that is on climate and environmental measures, consumer protection, or workers' rights. Our experience is that when Europe sets a positive example, other countries and regions around the world follow. Moreover, it gives Europe a competitive advantage. The world knows that climate change is an issue leaders need to tackle and that we need a major rethink of our economic model. If we can show that the European Green Deal is good for economic growth, good for job creation, good for trade, and good for exporters, then industry and leaders around the world will be convinced that it is the right investment to make, also to the benefit of citizens with clean and efficient public transport, or with cleaner air and less pollution in rivers and oceans. In an unstable geopolitical landscape, we must continue to work multilaterally, whilst also prioritising enhanced bilateral cooperation with key partners and major emitters. We must encourage others to go further in achieving the goals of the Paris Agreement. This is particularly important in the context of G20 countries (including China), which represent about 80% of global emissions.

The 2015 Paris Agreement, complemented by the 2018 Katowice climate package, provides the essential framework for global action on climate change and steer the worldwide transition towards climate-neutrality and climate-resilience. In the course of my term, I will focus my attention on safeguarding the credibility of the Paris Agreement

and working towards encouraging robust implementation of policies and acceleration of ambition, particularly by the world's major emitters.

I intend to work on sharing our experiences and on supporting our international partners in the implementation of their Nationally Determined Contributions. I will pay attention too – in the same way we will do for the European Just Transition – to climate action that takes into account the most vulnerable and includes adaptation and strengthened resilience. In this context, our international development policy will play a pivotal role. It will be my mission to maintain our strength and our credibility on the international stages of climate diplomacy. Climate must continue to be a key part of EU diplomacy at all levels, including the effective use of funding instruments. We need to strengthen and mainstream climate action throughout the real economy as we pursue our trade and development policies, looking in particular at areas like energy, transport, forest, agriculture and land management, innovation, trade, improving investment climate and mobilising green finance.

I am committed to ensuring that EU trade policy contributes to promoting climate action in partner countries. I will insist on including strong and enforceable climate provisions in EU trade and political agreements.

## **7. Competitiveness - carbon leakage**

**How will you promote investment in new clean technologies and provide incentives for the European industry in the transition to a climate neutral economy, while making the most of the economic and employment opportunities provided by this transition? Will you put forward a net-zero-emissions industrial strategy? What actions will you take to ensure EU competitiveness and regulatory certainty while upholding high climate and environmental standards in the EU? What concrete role do you see for a carbon border adjustment mechanism or a similar measure, as outlined in the political guidelines, and how would you design it in a way that is WTO-compliant?**

The transition to a climate neutral and circular economy offers an important opportunity to put the long-term competitiveness of the EU economy on a more sustainable footing, to break our dependence on fossil fuels and to create new jobs with new skills. This modernisation is an opportunity for European companies domestically and globally. Sustainable use of resources and a circular economy could create a net benefit of EUR 1.8 trillion by 2030 and contribute to our economic independence/technological sovereignty by eliminating or reducing our dependency on imported energy and raw materials.

Markets can drive adjustments but often do so late and with no regard to the fairness of outcomes and fair distribution of the benefits. It is thus a political imperative to use markets smartly, correcting their failures to ensure not just environmental but also social and economic sustainability. When facing the climate change challenge, the three must go together or we will not go anywhere. Markets, if left alone, will not always spontaneously accept new low carbon products and technologies at the speed required for climate neutrality by 2050. The EU must provide a regulatory environment that fosters both demand and supply for climate neutral and circular industrial products. I want the Commission to help the development and deployment of lead markets for low carbon and sustainable products at the early stages (e.g. renewables, hydrogen, built environment, etc.). This would require support policies to help create markets for these products and reduce their costs, for instance inspired by what we did for renewable energy.

I want to ensure the modernisation of energy intensive industries in order to ensure their competitiveness. These industries are key suppliers of several value chains on the path towards climate-neutrality.

Investment in the deployment of new green technologies and in more fundamental research for the technologies that we are still missing, will be critical. We must make sure that the EU has the technical means and capacity to stay at the forefront of global competition on new green technologies. We must ensure that the Innovation and Modernisation Funds are up and running in 2020 and 2021 respectively, to optimise as far as possible the use of the MFF earmarked for climate change and to ensure that it is implemented rapidly. We will also set up and deploy the Just Transition Fund in anticipation of the structural and social change required to accompany the modernisation of EU industry.

As part as my collegial work, I will contribute to the work of the Executive Vice-President-designate for a Europe fit for the Digital age, the Executive Vice-President-designate for an Economy that Works for People and of the Commissioner-designate for Internal Market to ensure that the industrial strategy contributes decisively to the objectives of the European Green Deal. The transition to a climate neutral economy and the profound effects of digital transformation are major challenges for our industry, but they also represent enormous opportunities. We need to support our businesses to become world leaders in clean and digital technologies.

The EU can only succeed in making this vision a reality through a strategy implemented in close partnership with industry and Member States. This strategy should support investment in innovation and skills and put in place measures to ensure fair competition and a level playing field, including at the global level. It should also provide for more targeted action in specific areas where we want to achieve technological sovereignty. These areas include clean energy, the circular economy, and clean and smart mobility. The EU should lead the way on next generation technologies and define the standards that will become the global norm.

The lack of a global level playing field in climate policies, and in particular carbon pricing, can create risks of carbon leakage. The transition to a climate-neutral EU makes the issue of carbon leakage more relevant than ever. That is why we will propose a carbon border tax, which should be fully compliant with WTO rules. There are several ways to design and implement a carbon border tax. I will immediately intensify our work on the analysis to allow us to identify the model which is the best suited to our needs. I will make sure that the Commission examines all different options carefully when designing its proposal, and I will work very closely with the European Parliament on this matter.

When it comes to WTO compliance, we will have to weigh carefully a number of considerations. We will need to take into account the relationship with the existing provisions on carbon leakage. And we will have to ensure that this measure can fully support all countries' efforts to implement their commitments under the Paris Agreement.