

Draft speech of Commissioner Thyssen
UNDER EMBARGO – CHECK AGAINST DELIVERY

ESDE , 1000 words.

1.1 Intro. Challenges

Ladies and gentlemen,

Dear colleagues,

Dear friends,

Thank you Mr Jahier, for kindly hosting us again.

This is the last time we will personally be working together. I look back on a fruitful cooperation. I am sure our institutions will continue their excellent relations in the next Commission.

The founding fathers of the European Union – there were no founding mothers at the time – handed us a great gift. The gift of freedom, peace and prosperity.

As a politician, I have always seen it as my duty to pass this gift on to the next generation. That is what sustainability is all about. Sustaining our quality of life for the future.

And that quality of life is under pressure. By a “perfect storm” of challenges.

- Globalisation
- Demographic change (migration and ageing)
- Robotisation and Digitalisation
- Climate change.

These challenges are interlinked and reinforce each other. Our economic, social and climate policies must also reinforce each other. In other words: be sustainable.

To do this, we need to base our action on sound intelligence and thorough research.

That's why every year we published a topical, ambitious, and agenda-setting Review of Employment and Social Developments in Europe.

So far, we published reports covering globalisation, demographic ageing and the future of work.

And this year's ESDE report, on sustainable growth for all, really hits the bullseye. Sustainable growth is on the top of the agenda.

Early this year, the Commission (EPSC) organised a high level conference on sustainable growth. Which made it clear: sustainability is not just about climate. But about a whole range of economic, social and other policies.

And President von der Leyen, in her mission letters, has given every Commissioner the task to deliver on the United Nations Sustainable Development Goals.

In short, this year's report could not come at a better time.

A time of transitions for economic development in general, and for people in particular.

Let me be clear: there are many challenges for people, but people are also part of the solution.

2. Social and economic sustainability

Ladies and gentlemen,

For long term wellbeing without depleting our resources, we need to increase productivity. And for increased productivity, we need to invest also in people.

How to invest in people? We need to make sure that everyone can contribute to society to the best of their abilities; that their skills remain relevant throughout their working lives; that labour conditions are fair; and that we support and empower people when that is needed.

That's why we launched the European Pillar of Social Rights. This is a comprehensive vision of what should be done to empower people.

By making sure people have the right skills and the possibility to upskill and reskill. Green skills. Digital Skills. Soft skills. So people can get jobs and companies can grow. And by modernising our labour markets and social protection systems.

The Pillar has two goals: creating upwards convergence in Europe and getting our societies ready for the new world of work.

3. Climate change.

Social progress and economic growth don't contradict, but reinforce each other. It's not the first time I say this and it's no mystery to you. It's the idea behind the social market economy. An idea that's at the heart of our treaties and the foundation of our economy.

Our climate policies too, must be economically viable and socially acceptable.

We can only have *successful* transitions, if they are also *just* transitions.

This Commission has always pursued a very ambitious climate policy. We passed all the legislation necessary, to fulfil the Paris agreement. In fact, we are the only large economy, to meet our obligations.

Since last year, we've seen the rise of the climate strike movement worldwide, and still this week the UN Climate Summit took place.

There we learnt that although Europe is the frontrunner of the world, we are not yet doing enough. With her European Green

Deal, President-elect Von der Leyen shows that the European Union will continue her leading role.

The good news is: the ESDE report shows that climate action and jobs and growth aren't contradictory, but compatible.

- Low carbon industries and services are the most dynamic job creators. They employ over 70% of EU workers, while producing less than 10% of all CO2 emissions.
- Climate neutrality could help create an extra 2 million EU jobs by 2050. And not just any kind of jobs. Most green jobs are good jobs: middle income and middle skilled jobs.
- Climate action could increase GDP by up to 2 per cent in 2050.

President-elect Von der Leyen put it well last month. She said it's an "economic imperative" for Europe to become the first climate neutral continent. *"Those who act first and fastest will be the ones who grasp the opportunities from the ecological transition."*

4. Fair transition

Ladies and gentlemen,

Our climate policies also need to be socially sustainable.

We need to share the costs and benefits of climate policies equally.

"Affordable energy" and "climate action" are *both* UN sustainable development goals.

They don't contradict each other. We can and must meet both these goals.

A fair transition is realistic. It is not automatic.

This is about much more than energy or emissions alone. That's why transition demands a whole of government

approach. Social policy and renewable energy, agriculture and taxation, clean transport and industry are all part of the solution.

We have tools at the EU level, to make a fair transition happen.

- Economic and energy policy coordination
- Our European structural and investment funds.
- The European Globalisation Fund. We use it to retrain workers who lose their jobs due to decarbonisation.
- We have skills and lifelong learning policies, to get people ready for the green labour market

- And we work together with social partners. For example in our Coal Regions in Transition Initiative. In which now 18 coal regions are working together to reduce the negative effects of transition.
- We support social dialogue with discussions, consultations and joint actions at the EU level.
- We support social dialogue with our funds. And we support it during the European Semester, by insisting that Member States involve the social partners.

5. Conclusion.

Ladies and gentlemen,

The green transition will only be successful if we include social considerations from the outset.

First of all for economic reasons.

When we invest in people, we can increase productivity without wasting natural resources. To the benefit of society and the planet.

We also need a just transition for social reasons. In a union of values no one must be left behind.

And we need a just transition for political reasons.

Because we cannot build a sustainable future, without the support of the people.

As policy makers, social partners, academics, it is not enough for us to ask people to change.

We also must take our responsibility. And help shape the future.

And that will be your job here today. And it's a very important job.

I wish you a very successful conference.