

Closing speech at the ESDE 2019 Conference Director-General EMPL Joost Korte

UNDER EMBARGO – CHECK AGAINST DELIVERY

Introduction

- Thank you for your participation, your creative ideas, the rich debate!
- There is no simple transition to a sustainable Europe.
- But if I would need to summarise our approach in a few sentences, I'd say:
 - For transition to succeed, it must also be a just transition.
 - For a just transition, social policy is key. But it is not the only key. We need to integrate social objectives into all our policies.
- And there is good news. Such a comprehensive approach to a just transition is on the top of the incoming Commission's agenda.

But first: Why do we need a just transition?

- Transitions open up new opportunities for jobs and green innovation. But they can also disrupt established jobs and economic relations.
- Transitions demand changes in our behaviour. For producers, consumers and citizens. It will affect some sectors and regions more than others.
- The costs and benefits of transition will differ greatly from person to person, industry to industry and region to region.
- If we are not careful, these differences will become too big.
- Large differences are economically, socially and politically undesirable – [as Commissioner Thyssen argued this morning].
- Transition, including our climate strategy, will only succeed if it is a just transition.
- Today's ESDE report is about economic, social and environmental sustainability. Political sustainability is at least as important.
- Because transition will not succeed without public support. So we must mitigate the burden on those most affected.
- In the words of President-elect Ursula von der Leyen, **“Europe must lead [...] by bringing people together** and upgrading our unique social market economy to fit today's ambitions” and **by “leaving nobody behind.”**
- A just transition is not only about sharing the costs and benefits fairly. It's also about enabling people. To help people grasp the opportunities of transition.

One thing is clear: social policies are key to a just transition

I am happy that President-elect Von der Leyen intends to implement the European Pillar of Social Rights with an Action Plan.

With this action plan we intend to:

- Guarantee access to essential services, like transport, energy and housing. Services that may become more expensive.
- Ensure social protection, also in times of change
- Boost skills. So that people can learn green skills, for green jobs. And that businesses will have skilled staff, to help them grow and innovate.

Social policies are not the only key to a just transition. We need to integrate social objectives into all our policy areas.

- Take education. I just mentioned skills. We will need to invest in our education systems: into infrastructure, curricula and teacher training.
- Tax policies: Sustainable taxes might be harder to bear for those on lower incomes. Fiscal reforms could ease the burden.
- Sustainable agriculture and fisheries policies can support rural workers, if food production and eating habits change.
- Energy-efficient renovation of homes: this can lower monthly energy costs. It could also disproportionately benefit the wealthy if subsidies are given in a socially-blind manner.
- Finance. Sustainable investment is key. Helping households to bear the cost – of insulation. Supporting novel investments, that may sound risky to private parties. Governments and Central Banks can lead the way.
- It's encouraging to hear the new President of the European Central Bank state that "climate change and environmental risks are mission-critical" to the ECB and should be "at the core" of any institution's mission.
- All these examples show above all, that we need concerted action.

The good news is: concerted Climate Action is at the top of the next Commission's agenda

- In her first hundred days in office, President-elect Von der Leyen will present proposals for a "European Green Deal."
- This puts climate at the heart of our policies.
- Frans Timmermans will act as executive Vice President for the Green Deal. Coordinating input from all relevant policy areas.
- The Green deal includes:
 - Europe's first climate law. To enshrine into law the goal of climate neutrality by 2050 .
 - a European Climate Pact. A joint pledge, to change behaviour, for the better
 - an Industrial Strategy to become a Circular Economy world leader;

- a Biodiversity Strategy
 - A Farm to Fork Strategy on sustainable food.
 - A Sustainable Europe Investment Plan. Which will tap into private finance to support 1 trillion euro of investment over the next decade.
 - And a Just Transition Fund, to support the most affected regions and people.
- Of course, for less affected regions, we will always have our EU structural and innovation funds. Including the ESF plus.

Ladies and gentlemen,

We need to move quickly and comprehensively. But we need to do so based on facts.

- That's why I am very happy with this year's ESDE report. With its comprehensive analysis of economic, social and environmental sustainability.
- We have an ambitious vision of climate-neutrality. Our analytical tools should match this ambition.
- The ESDE report certainly succeeds in this respect. I am sure it will be indispensable, to policy makers and researchers alike.
- In the future, we will continue to need first class intelligence and analysis. Because we have difficult choices to make and bold decisions to take.
- We will continue to deepen our analysis. For instance on the distributional impact of climate policies.
- And we will certainly also need more and better national data on the impact of climate policies.
- Because we have to move ahead on climate. And we can only move ahead, on solid ground.

And can only move ahead if we work together

- That's why our conference today is so important. So people from the worlds of academe, government and social partner organisations can meet face to face and discuss these important questions.
- So, thank you for joining us.
- Many thanks also to the interpreters, for their hard work.
- I'd like to end with a nice quote I read from the conclusions of an EU inter-institutional think tank [ESPAS]: "no matter how tumultuous the coming years, not losing sight of our goals for the future will be the most important task."
- I know that you won't lose sight and that we can count on your engagement.