



## European Commission - Speech [Check Against Delivery]



### Press statement – Environment Council – 17 March 2022

Brussels, 17 March 2022

Good afternoon everybody.

This was a very important Council today, and my thanks to Barbara and the French presidency for ensuring that it ran so smoothly.

As you heard, we opened this morning with Fit for 55, with a specific focus on ETS 2 and the Social Climate Fund.

I underlined how the war in Ukraine has made this package more necessary and timely than ever. In the face of Russia's criminal actions, Fit for 55 now plays an even more important strategic role in Europe's future.

The case for energy independence is now extremely clear, and Fit for 55 offers the roadmap we need for greater autonomy. It brings together the key ingredients for change – more energy efficiency, more renewable energy and less fossil fuel use.

I also reminded Ministers about RePowerEU, our vision of how to phase out dependence on Russian fossil fuels, well before 2030.

As regards the new ETS, we considered the proposed expansion of the ETS to road transport and buildings.

I reminded Ministers of the need to reduce emissions from road transport and buildings. In the run-up to 2030, we need to reduce these emissions by more than 2% every year. The Commission maintains its position here, because according to our analysis, this expansion of the ETS could deliver almost half of the additional reductions we need.

I also reminded ministers of the close connection between the new ETS and the Social Climate Fund. The key role of the fund is mitigating the burden of increased fuel prices for low-income households.

And here again, our analysis shows net benefits for the least well-off, when the new ETS is combined with Social Climate Fund. The transformation will bring costs – but by using this combination, we ensure that the costs are paid by those who can afford them.

After the climate points, we moved on to a discussion of the batteries proposal, where Ministers supported unanimously the General Approach, which now paves the way for trilogues with the European Parliament. I thanked the French presidency for their excellent work here and for giving this important file the priority it deserves.

This means that a new regulatory framework for EU batteries is now in sight. This is excellent news, and more important than ever, with these unexpected pressures on our energy sector.

Major business investments are already being made on the basis of the new framework, so we need to deliver with ambition and credibility. I reassured Ministers that the Commission would play its role as honest broker in the upcoming negotiations, which will not be easy, but I am confident that a satisfactory outcome is on the way.

After the batteries, we moved to a policy debate on deforestation, with a focus on due diligence and various definitions used in our proposal.

The 6<sup>th</sup> IPCC assessment report reminded us once again that we cannot stop climate change unless we get deforestation under control. The proposed regulation will help do that, and put the EU at the forefront of global efforts to fight deforestation.

For the Commission, this proposal is built around traceability. We need full traceability, as that is the best way of guaranteeing transparency.

With that in mind, I called on Ministers to maintain the level of ambition of the Commission's proposal.

We finished with a number of AOB points, including on the outcome of UNEA 5, the recent meeting of the UN's global environment arm in Nairobi. UNEA 5 was highly successful, with the agreement to launch negotiations on a legally binding Global Agreement for Plastics, and an agreement on an international definition of Nature-based Solutions.

Now I will be very happy to take your questions.

Thank you.

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