



## Future of the **EU27**



### **DR RUNGE-METZGER TRANSCRIPT**

*Interview conducted on 11 February 2020*

**Clare Gray:** It's a pleasure to be joined today by Dr Runge-Metzger, Director in DG CLIMA in the European Commission, where he is responsible for the EU's efforts to tackle climate change domestically, at the EU level and globally. Thank you for being with us today.

In December last year, the Commission presented its plans for the European Green Deal. The Commission hopes that this very transformative document will form the basis of the EU's climate policy over the coming years. What are some of the headline ambitions of the European Green Deal?

**Dr Runge-Metzger:** When you look at climate change, we need to make Europe the first climate neutral continent by 2050. The Green Deal is the first step towards implementation. It will require action in all major sectors, whether it's the energy sector, the industrial sector, mobility etc. We will also have to [increase] our targets on climate change – it's now minus 40% [greenhouse gas emissions] by 2030, so we will look at 50% or perhaps 55% emission reductions. We will look at the overhaul of the Emissions Trading Scheme and all the regulations that touch on greenhouse gas emissions, whether it's the standards for cars in the future. But apart from that we also want to tackle biodiversity and other forms of pollution in Europe. So, there will also be a biodiversity strategy and a strategy to reduce pollution from chemicals or pesticides in Europe in the coming decade.

**Clare Gray:** That is a very wide-ranging plan. There is a significant economic component to the Green Deal which President von der Leyen has described as a new growth strategy for the EU. What kind of opportunities will the Green Deal present for European citizens and businesses?

**Dr Runge-Metzger:** I think it will present huge opportunities because as Europe gets to a climate neutral economy, you need to have investment into the economy. Let's start with citizens, if you look at housing for instance, it means a deep renovation of houses. Homes will become much more comfortable in the future and heating bills will go down if you renovate those houses. If you look at mobility, the car of the future is a car that is not noisy and might take you on our own and this smart mobility gives you more time. In order to

get there, you need to have an industry that is producing all these new wonderful things and gadgets. This presents a huge opportunity to lead. If Europe leads, then we create lead markets for those products and this is not only cars, it covers all industries. For example, the chemicals used to produce oil will be replaced by biomass, and so, farmers will also benefit from increased use of biomass in industrial sectors. So there are plenty of opportunities there.

**Clare Gray:** If Europe is to become a leader in some of these new and emerging sectors, significant levels of investment will be required. The EIB has already spoken about its ambition to become the EU's climate bank. How is the Commission trying to encourage the private sector to contribute to the objectives of the Green Deal?

**Dr Runge-Metzger:** I think there are two ways of doing this. One is by regulatory action. There is a carbon price in Europe, this is going to increase in the coming years. That is going to make certain products competitive in the market. This will help industry bring clean products to the market. We will also try to help investors via the EIB, using as little public money as possible and leveraging private finance as much as possible. As a private investor who, at the present point in time, is not quite sure what his money is going to be used for, we also need to have a good taxonomy of what is a green investment, what is a sustainable investment in the future. This will help those that own capital to invest in the right things, hopefully this will encourage green investment.

**Clare Gray:** We have talked about the opportunities for citizens and businesses, but implementing the Green deal will inevitably entail challenges for certain sectors and regions. In Ireland, the agricultural sector is a key contributor to our net emissions, how does the Commission propose supporting farmers in transitioning to greener forms of production?

**Dr Runge-Metzger:** In Europe we have the Common Agricultural Policy, what is foreseen for the next seven years is to spend about 40% of this budget on climate relevant expenditure. With this we want to support the right farming methods like precision farming that will help to reduce the amount of inputs, some of which go into the atmosphere as emissions. We also want to help farmers to create new markets for replacing materials that come from fossil fuels at the moment, whether it is biofuels, whether it's the energy we use to produce electricity or the feedstock in the chemical industry, or even natural fibres instead of synthetic fibres which could come from European agriculture or forestry. There are ample opportunities that we can grasp. But we also know that there are significant challenges, people might lose their jobs and entire industries might disappear – just think of coal. Here, Europe is ready to support regional development to find new businesses and jobs for these regions to transition to a greener future and to prevent them from being left behind.

**Clare Gray:** Thank you very much, it has been a real pleasure. We look forward to welcoming you again to the Institute in the future.

**Dr Runge-Metzger:** Thank you very much.