

Western Balkans Summit in London – building stronger links within the region and with the EU

Heads of Government, Foreign Ministers and Ministers of Interior from the Western Balkans together with their counterparts from several EU Member States and high-level EU representatives are meeting yesterday and today in London to continue strengthening regional cooperation between the six partners of the Western Balkans, as well as between the region and the EU, to further advance the European integration process of the Western Balkans.

Representing the EU at the summit, High Representative/Vice-President Federica **Mogherini** said: *“In these years we have been all working together to draw the region closer and closer to the European Union, politically, economically and security-wise. And we have seen remarkable results, solutions to the most difficult bilateral issues. The Western Balkans are steadily moving forward. And today we reconfirm that we are together with the region on that path, sharing the commitment towards our common future.”*

Johannes **Hahn**, Commissioner for European Neighbourhood Policy and Enlargement Negotiations, and Commissioner for the Security Union Julian **King** are also attending the summit.

Increasing economic stability

In the area of socioeconomic development, the focus will be on the further implementation of the action plan to establish a [Regional Economic Area](#) as [agreed in Trieste](#) last year, which aims at boosting the attractiveness of the region to encourage investment and foster trade, thereby creating jobs. One year into the implementation of the action plan, the region has already witnessed an uptick in intraregional trade. Discussions will also cover **digital skills**, as a follow-up to the [Digital Agenda for the Western Balkans](#) adopted in June [in Sofia](#).

Participants will consider ways to step up **financing for SMEs and start-ups**, including through the mobilisation of non-banking financing. They will also exchange on the need for the region to engage in its energy transition and better exploit the substantial hydropower potential in the region in a sustainable fashion.

To support these objectives the European Commission, in cooperation with partner financial institutions, is putting forward a new [guarantee instrument](#) that will be launched in early 2019 under the Western Balkans Investment Framework. With an initial EU commitment of up to €150 million in 2019-2020, the guarantee will aim to leverage up to €1 billion in investments into sustainable socio-economic development and regional integration. The guarantee will allow sharing financial risk to unlock private investment in a broad range of sectors such as start-ups and SMEs, climate finance and

infrastructure investments, as well as digital and social sectors, thus tackling key bottlenecks hampering access to finance in the region.

Strengthening security cooperation

Yesterday, leaders already looked into ways to deepen cooperation in addressing shared security challenges, including fight against terrorism, radicalisation, cyberattacks, organised crime and firearms trafficking, between the Western Balkans and the EU. The summit will be an opportunity for increasing cooperation among law enforcement agencies in the Western Balkans, including on information sharing. The link between corruption and security was discussed and representatives of the Western Balkans reiterated their commitment to tackle corruption.

Facilitating political cooperation

Regional cooperation and good neighbourly relations are at the heart of the countries' path to the EU, which also entails achieving lasting and sincere reconciliation. Ministers will exchange views on bilateral and legacy issues such as war crimes and missing persons. The EU supports the involvement of Western Balkans youth – youth cooperation is key to increase regional connectivity – in many EU projects, such as the Marie Skłodowska-Curie Actions, the Creative Europe and [Erasmus+](#) programmes, and the Youth in Action window animated by the [South East Europe Resource Centre](#) (SALT0). Furthermore, the [Regional Youth Cooperation Office](#) (RYCO) will present its latest achievements and its Strategic Plan 2019-2021 for promoting reconciliation and cooperation between the youth in the region.

Background

The [London Summit](#) is part of the [Berlin process](#), an initiative from several EU Member States aiming at supporting efforts towards strengthening regional cooperation and the European integration of the Western Balkans.

The summit comes after the European Commission published earlier this year its **strategy** on "[A credible enlargement perspective for and enhanced EU engagement with the Western Balkans](#)", the EU-Western Balkans summit in Sofia on 17 May, and the [June European Council](#), all of which confirm the credible enlargement perspective for the Western Balkans.

Heads of Government, Foreign Ministers, and Ministers of the Interior of the Western Balkans and their counterparts from eight EU Member States (**Austria, Bulgaria, Croatia, France, Germany, Italy, Slovenia and the UK**) will participate. As the next chair of the Berlin Process and host of the 2019 summit, representatives from **Poland** will also be present, as well as those of **Greece**.

Ahead of the summit, Commissioner **Hahn** attended many events including the [Economy Ministers' Meeting](#) (conclusions are available [here](#)), the meeting with the EU and the Western Balkans Foreign Ministers and the Question Time event with the Ministers, youth and representatives of civil society as well as the event "[Beyond Berlin: What Does the Next Decade Hold for the Western](#)

[Balkans?](#)". Commissioner **King** met with the EU and Western Balkans Ministers of Interior and spoke at the session on "Cross-cutting security issues", focusing in particular on the EU's cooperation with Western Balkan partners in the area of counter-terrorism, cybercrime and radicalisation.

[Daily News 10 / 07 / 2018](#)

Taking EU – NATO cooperation forward: President Juncker, European Council President Tusk and NATO Secretary General Stoltenberg sign Joint Declaration

Today, President Jean-Claude **Juncker**, European Council President Donald Tusk and NATO Secretary-General Jens Stoltenberg are taking the EU – NATO partnership to the next level by signing a Joint Declaration reconfirming the two organisations' commitment to continue their cooperation, for the security of their citizens. The EU's joint work with NATO is advancing with full steam, to implement the 74 joint concrete actions in the seven areas of cooperation identified in the [2016 EU – NATO Joint Declaration](#) signed in Warsaw, which includes countering hybrid threats, cyber security and defence capabilities, and joint exercises. EU – NATO cooperation constitutes an integral part of the EU's work aimed at strengthening European security and defence. Significant progress has been made since President **Juncker's** call for the EU to become a stronger global actor, notably through the establishment of the [Permanent Structured Cooperation](#), the creation of the European Defence Fund and work on military mobility. The EU's commitment to advance its work on defence is also reflected in the Commission's new budget proposal, which includes an increase in spending in the field of defence to a total of €27.5 billion from 2021 to 2027. You can find the full text of the Joint Declaration [here](#). Coverage of the signature and the press statements by Presidents **Juncker** and Tusk, and Secretary General of NATO, Jens Stoltenberg, is available on [EBS](#). A transcript of President **Juncker's** press statement will be available shortly [here](#). For more information on [EU – NATO cooperation](#) and [military mobility](#) see the factsheets online. (*For more information: Maja Kocijančič – Tel.: +32 229 86570; Esther Osorio – Tel.: +32 229 62076*)

Subsidiarity and Proportionality: Task Force to present recommendations on a new way of working to President Juncker [added 10/07/2018 at 12:58]

Today the Task Force on Subsidiarity, Proportionality and 'Doing Less More Efficiently' will hand over its final report to Commission President Jean-Claude **Juncker**. The report responds to three questions put forward by the President when creating the Task Force in November 2017: how to better apply subsidiarity and proportionality principles within the EU institutions; how to better involve regional and local authorities and national parliaments in EU policymaking and implementation; and whether there are policy areas where powers could be returned over time to Member States. The Task Force's report will be published online [here](#) after it is presented by First Vice-President

Timmermans at a [press point](#) at around 13:20 today. A press release will be available [here](#). (For more information: *Natasha Bertaud – Tel.: +32 229 67456; Tim McPhie – Tel.: +32 229 58602*)

L'UE débloque plus de 191 millions d'euros d'aide humanitaire aux pays du Sahel

Alors que la région du Sahel est confrontée à la plus grave crise alimentaire et nutritionnelle de ces cinq dernières années et à une insécurité persistante, la Commission a annoncé un ensemble de mesures d'aide humanitaire d'un montant de 191,3 millions d'euros. *«Vu les nombreuses personnes touchées par la crise alimentaire qui s'aggrave au Sahel, il n'y a pas de temps à perdre. L'aide de l'UE consistera en une assistance vitale pour les personnes les plus vulnérables. Les nouveaux montants débloqués visent à porter secours à plus de 1,1 million de personnes qui ont besoin d'une aide alimentaire d'urgence, tout en finançant le traitement de plus de 650 000 enfants souffrant de malnutrition sévère»*, a déclaré le commissaire chargé de l'aide humanitaire et de la gestion des crises, **M. Christos Stylianides**. L'aide annoncée aujourd'hui bénéficiera à huit pays de la région: le Burkina Faso, le Cameroun, le Mali, la Mauritanie, le Niger, le Nigeria, le Sénégal et le Tchad. Les fonds de l'UE soutiendront également des initiatives de réduction des risques de catastrophe pouvant aider les populations à mieux se préparer aux catastrophes naturelles. Le communiqué de presse est disponible [ici](#). (Pour plus d'information: *Carlos Martin Ruiz de Gordejuela – Tel.: +32 229 65322; Daniel Puglisi – Tel.: +32 229 69140*)

The EU invests in the modernisation of Budapest's third metro line

€473.4 million from the [Cohesion Fund](#) is invested in the reconstruction of the entire line 3, the 'blue line', in the Hungarian capital of Budapest. This will provide better services to the more than half million users who use it daily. *"Thanks to Cohesion policy funding, the inhabitants of Budapest and the tourists visiting this beautiful city will enjoy a modern and faster metro. That's a concrete example of an EU that cares for the wellbeing of its citizens,"* said Commissioner for Regional policy **Corina Crețu**, *"I'm especially glad that the EU funding will contribute to making the entire line accessible to people with disabilities."* The tracks and rail fasteners are all going to be replaced, for faster and safer travel conditions. All 20 stations and the whole lighting system are going to be refurbished, for a more pleasant journey across the city. Running almost parallel with the Danube on the city's Pest side, the metro line 3 spans 17 kilometres between the north and the south of Budapest. The works, which are ongoing and expected to be over by 2021, will improve the capacity of the line, allowing 13,000 additional passengers daily to trade their car rides for the metro. (For more information: *Johannes Bahrke – Tel.: +32 229 58615, Sophie Dupin de Saint-Cyr – Tel.: +32 229 56169*)

Commission promotes greater participation of businesses in regional innovation strategies

The Commission has given the green-light for the continuation of a support action aiming to improve regional innovation systems in [low-growth and low-](#)

[income regions](#) in Romania, Bulgaria, Poland, Hungary, Greece, Italy, Portugal, Spain and Croatia. Coordinated by the Commission's department for Regional and Urban policy and the [Joint Research Centre](#), the initiative helps regions tackle bottlenecks to innovation, such as lack of interaction between local business spheres and academia, and achieve industrial transition. It will particularly focus on promoting a greater involvement of business partners and entrepreneurs in the design and implementation of regional innovation strategies, known as [smart specialisation strategies](#). Commissioner for Regional policy Corina **Crețu** said: *"This support action for those regions that need to catch up the most is part of our broader effort to help companies access Cohesion Policy funds so they can innovate, grow and prepare for the future."* Developed jointly with the European Parliament and implemented over 2014-2016, the action is renewed for two more years, to help regions prepare for efficient investments in research and innovation in the next long term EU budget 2021-2027. It is complementary to other initiatives, such as ['Stairway to Excellence'](#), which helps regions identify EU resources to finance innovative projects and pair up with other regions with similar assets to create innovation clusters. The support action has a budget €3 million for 2018-2019 made available by the European Parliament. *(For more information: Johannes Bahrke – Tel.: +32 229 58615; Sophie Dupin de Saint-Cyr – Tel.: +32 229 56169)*

Western Balkans Summit in London: building stronger links within the region and with the EU

At the [London Summit on the Western Balkans](#), the EU is continuing to strengthen cooperation with the region, with a clear commitment and concrete measures, focussing on the three key areas of cooperation: economy, security and reconciliation. Heads of Government, Foreign Ministers and Ministers of Interior from the Western Balkans together with their counterparts from several EU Member States and high-level EU representatives are meeting yesterday and today in London to continue strengthening regional cooperation between the six partners of the Western Balkans, as well as between the region and the EU, to further advance the European integration process of the Western Balkans. Representing the EU at the summit, High Representative/Vice-President Federica **Mogherini** said: *"In these years we have been all working together to draw the region closer and closer to the European Union, politically, economically and security-wise. And we have seen remarkable results, solutions to the most difficult bilateral issues. The Western Balkans are steadily moving forward. And today we reconfirm that we are together with the region on that path, sharing the commitment towards our common future."* Johannes **Hahn**, Commissioner for European Neighbourhood Policy and Enlargement Negotiations, and Commissioner for the Security Union Julian **King** are also attending the summit. The [full press release](#) is online as well as a dedicated factsheet on the [Western Balkans Guarantees](#). Videos and photos of the visit are available on [EBS](#). *(For more information: Maja Kocijančič – Tel.: +32 229 86570; Alceo Smerilli – Tel.: +32 229 64887)*

Eurostat: Premier trimestre 2018 comparé au premier trimestre 2017 – Le prix des logements en hausse de 4,5% dans la zone euro – En hausse de 4,7% dans l'UE

Le prix des logements, tel que mesuré par l'indice des prix des logements, a augmenté de 4,5% dans la zone euro et de 4,7% dans l'UE au premier trimestre 2018 par rapport au même trimestre de l'année précédente. Un communiqué de presse Eurostat est à votre disposition [en ligne](#). (Pour plus d'information: Lucía Caudet – Tel.: +32 229 56182; Victoria von Hammerstein – Tel.: +32 229 80379; Maud Noyon – Tel.: +32 229 80379)

Eurostat: Premières estimations de la population – La population de l'UE en hausse à près de 513 millions d'habitants au 1er janvier 2018 – Augmentation liée à l'apport migratoire

Au 1er janvier 2018, la population de l'Union européenne (UE) était estimée à 512,6 millions de résidents, contre 511,5 millions au 1er janvier 2017. Au cours de l'année 2017, plus de décès que de naissances ont été enregistrés dans l'UE (5,3 millions de décès et 5,1 millions de naissances), ce qui signifie que la variation naturelle de la population de l'UE a été négative. La variation démographique (positive, avec 1,1 million d'habitants supplémentaires) est donc due à l'apport du solde migratoire. Un communiqué de presse Eurostat est à votre disposition [en ligne](#). (Pour plus d'information: Christian Wigand – Tel.: +32 229 62253; Sara Soumillion – Tel.: +32 229 67094)

Mergers: Commission approves acquisition of UPC Austria by T-Mobile Austria

The European Commission has approved unconditionally under the EU Merger Regulation the proposed acquisition of UPC Austria by T-Mobile Austria. UPC Austria ("UPC") and T-Mobile Austria ("TMA") both provide telecommunications services in Austria. UPC's main activities are related to fixed telecommunications, while TMA is mainly active in mobile telecommunications. The Commission examined the impact of the proposed transaction in the limited number of markets where the activities of TMA and UPC overlap in Austria. In particular, both companies are active in the provision of internet access services for residential customers, since in Austria internet access at home is often provided through a router connected to a mobile network. The Commission found that the impact of the transaction on this market is likely to be limited, considering in particular that UPC's fixed internet access products differ considerably from TMA's mobile broadband products and as a result are not closely competing, and that the merged entity would continue to face significant competition from other players. In addition, the Commission examined a number of vertical and conglomerate relationships arising as a result of the transaction and concluded that the merged entity would not be able to use its market power to shut out or marginalise its fixed or mobile competitors by bundling fixed and mobile products. Therefore, following its phase I investigation, the Commission concluded that the transaction would raise no competition concerns in any of the affected telecoms markets and cleared the case unconditionally. The full press release is available online in [EN](#), [FR](#), [DE](#). (For more information: Ricardo Cardoso – Tel.: +32 229 80100; Giulia Astuti – Tel.: +32 229 55344)

State aid: Spain needs to recover around €167 million of incompatible aid

from postal operator Correos

The European Commission has found that Correos, the publicly-owned Spanish postal operator, was overcompensated for the delivery of its universal postal service obligation between 2004 and 2010, and also benefited from incompatible tax exemptions. Spain has entrusted Correos with the universal postal service obligation, which consists of the delivery of basic postal services throughout the country at affordable prices and at certain minimum requirements, for example the number of deliveries per week. On 11 February 2017, the European Commission opened an [in-depth investigation](#) to examine whether a number of State support measures granted to Correos as compensation for carrying out this public service obligation were in line with EU State aid rules. The Commission examined the support measures under [EU State aid rules on public service compensation](#), adopted in 2011, which provide that Member States can grant State aid to companies to compensate them for the extra cost of providing a public service, subject to certain criteria, including the fact that companies entrusted with such services are not overcompensated. Avoidance of overcompensation minimises distortions of competition and guarantees an efficient use of public resources. The Commission's assessment showed that: (i) Correos was overcompensated by approximately €166 million for providing universal postal service in Spain during the period 2004-2010 and that (ii) specific tax exemptions granted since 2004 to Correos gave it an undue advantage amounting to approximately to €0.9 million in total. The Commission therefore concluded that the aid granted through these two measures was incompatible with the internal market and ordered Spain to recover the undue amounts from Correos, amounting to €167 million. During its in-depth investigation, the Commission also assessed two other support measures and found either that they did not constitute State aid within the meaning of EU rules or that they constituted existing aid which does not need to be recovered. The full press release is available online in [EN](#), [FR](#), [DE](#), [ES](#). (For more information: Ricardo Cardoso – Tel.: +32 229 80100; Giulia Astuti – Tel.: +32 229 55344)

ANNOUNCEMENTS

European Union to co-host the Somalia Partnership Forum in Brussels

On 16-17 July, the European Union together with the Federal Government of Somalia and Sweden will host the Somalia Partnership Forum in Brussels. The event aims to mobilise the international community to step up support for Somalia's efforts to build a more secure and prosperous future following years of conflict. High Representative/Vice-President Federica **Mogherini** will co-chair the conference with Mr Hassan Ali Khayre, Prime Minister of Federal Government Somalia and Ms Margot Wallström, Minister for Foreign Affairs of Sweden. Commissioner for Humanitarian Aid and Crisis Management, Christos **Stylianides** will also attend. The opening remarks of the ministerial level session on 17 July will be broadcast live on [EBS](#) at +/-15:00. A press conference with HR/VP **Mogherini** and the co-chairs is due to follow at 18:00. Journalists wishing to attend should register [here](#) before 13 July, 12:00

Brussels time. The EU is a leading supporter of Somalia in a wide range of areas, in particular on security with 3 Common Security and Defence Policy missions in the country. For the period 2015-2020, the EU and its Member States will provide €3.5 billion to the country in development and humanitarian aid as well as peacekeeping operations. A MEMO is available [here](#). (For more information: Maja Kocijančič – Tel.: +32 229 86570; Daniel Puglisi – Tel.: +32 229 69140)

Commissioner Stylianides visits Split, Croatia

Commissioner for Humanitarian Aid and Crisis Management Christos **Stylianides** is visiting Split, Croatia to speak at the Conference “Union Civil Protection Mechanism-Protection in Service of Its Citizens” hosted by MEP Zeljana Zovko. Commissioner **Stylianides** will also discuss the European Commission’s [rescEU](#) proposal with Croatian Minister of the Interior, Davor Božinović, Minister of Defence, Damir Krstičević and the Director-General for Civil Protection, Dragan Lozancic. In addition, he will visit a new operational centre to fight forest fires, which is located on Divulje airbase. The Commission’s proposal to strengthen Europe’s ability to deal with disasters in the framework of the [European Civil Protection Mechanism](#) foresees two complementary strands of action, (1) targeting a stronger collective response at European level via [rescEU](#), and (2) stepping up disaster prevention and preparedness capacities. At times of simultaneous disasters in Europe rescEU works as a last resort guarantee and ensures that every state in need receives assistance. (For more information: Carlos Martin Ruiz de Gordejuela – Tel.: +32 229 65322; Daniel Puglisi – Tel.: +32 229 69140)

[Upcoming events](#) of the European Commission (ex-Top News)

State aid: Spain needs to recover around €167 million of incompatible aid from postal operator Correos

Spain now has to recover around €167 million from Correos.

Spain has entrusted Correos with the universal postal service obligation, which consists of the delivery of basic postal services throughout the country at affordable prices and at certain minimum requirements, for example the number of deliveries per week.

On 11 February 2016, the European Commission opened an [in-depth investigation](#) to examine whether a number of State support measures granted to Correos as compensation for carrying out this public service obligation were in line with EU State aid rules.

The Commission examined the support measures under [EU State aid rules on public service compensation](#), adopted in 2011. According to the rules, Member States can grant State aid to companies to compensate them for the extra cost of providing a public service, subject to certain criteria. In particular, this requires that companies entrusted with such services are not overcompensated. Avoidance of overcompensation minimises distortions of competition and guarantees an efficient use of public resources.

The Commission's assessment showed that:

- Correos was overcompensated by approximately €166 million for providing universal postal service in Spain during the period 2004-2010.
- Specific tax exemptions granted since 2004 to Correos gave it an undue advantage amounting to approximately to €0.9 million in total.

The Commission therefore concluded that the aid granted through these two measures was incompatible with the internal market and ordered Spain to recover the undue amounts from Correos.

During its in-depth investigation, the Commission also assessed two other support measures and found that:

- Capital injections granted to Correos between 2004 and 2006 were made on terms that a private player operating under market conditions would have accepted, in compliance with the market economy investor principle (MEIP). The Commission therefore concluded that this measure does not constitute State aid within the meaning of EU rules.
- Compensation granted to Correos since 2004 for the delivery of electoral material predates the accession of Spain to the EU. The Commission therefore concluded that this measure constitutes existing aid which does not need to be recovered.

Background

Correos is the largest provider of postal services in Spain, including universal services, courier services and other services related to postal services and associated activities, such as money transfer operations. Correos is a wholly State-owned company and has been entrusted with the delivery of the universal postal service since 1998.

The Spanish postal service market has been fully liberalised since 2011 in accordance with the [Postal Directive](#), and Correos operates in full competition with other relevant postal service providers.

The Commission received two complaints alleging that Correos had benefitted from several illegal and incompatible State aid measures.

As a matter of principle, EU State aid rules require that incompatible state aid is recovered in order to remove the distortion of competition created by the aid. There are no fines under EU State aid rules and recovery does not penalise the company in question. It simply restores equal treatment with other companies

The non-confidential version of the decision will be made available under the case number SA.37977 in the [State Aid Register](#) on the Commission's [competition website](#) once any confidentiality issues have been resolved. New publications of State aid decisions on the internet and in the Official Journal are listed in the [State Aid Weekly e-News](#).

[Speech by Commissioner Arias Cañete at the High Level Stakeholder Conference: The EU's Vision of a modern, clean and competitive economy](#)

Ladies and Gentlemen,

I am very pleased to be here – and even more delighted to see so many of you today – at the start of a very important process. We are here to discuss the EU's long-term vision for an EU economy that is:

- cleaner and more sustainable,
- more competitive, and
- fit for the 21st century.

I would like to thank Pierre Gurdjian, President of the Université Libre de Bruxelles, and his staff here at the ULB for hosting the conference in this impressive lecture hall.

Today's event is intended to reach out to all stakeholders – to discuss our direction and speed of travel in the battle against global warming. In practice, we are discussing the vital question of what Europe should look like in 30 years.

I am delighted to be able to welcome such a broad range of high profile speakers representing a diverse set of stakeholders, academics and authorities over the next two days. And we will conclude tomorrow afternoon with contributions from Laurent Fabius, the President of COP 21 in Paris – which is our key reference point – and a Polish representative on behalf of the Presidency of COP 24 to take place in Katowice in December – the next instalment of global climate talks.

In my speech today I want to cover three points:

First: why we need to think about a long-term, mid-century strategy;

Second: what the EU has already achieved domestically, and

Third: how we should go about this.

So let me start with my **first point** – the reason **why we need to think about a long-term strategy**.

The world is changing. We are seeing a digital revolution. People are better connected than ever before. People are travelling more than ever before. People are living longer than ever before.

And yet our planet faces one of the biggest challenges ever – global warming – primarily caused by the man-made developments we have seen in the past 100-200 years.

The Paris Agreement provided a vital framework to address this challenge, setting common goals of limiting global temperature increase to well below 2 degrees Celsius and pursuing efforts to limit it to 1.5 degrees Celsius.

With these goals in mind, it is clear that a transition towards a low-carbon and climate-resilient economy is inevitable. And it will require stepping up efforts in all sectors of the economy.

Ladies and gentlemen,

If we are to meet our Paris objectives on global warming by the middle of the century, we cannot wait till 2030 or 2040 to define our direction of travel.

Following a request by EU leaders [in March] – and by the European Parliament – the European Commission is now preparing a proposal for an EU strategy for long-term EU greenhouse gas emissions reductions.

The strategy will not be a mere exercise of trajectory setting to reduce emissions. It has to reflect a vision of a prosperous, competitive, greenhouse gas neutral European economy, working for all Europeans. It has to make the most of the opportunities out there. In terms of facilitating investment. In terms of growth and jobs. In terms of improving the quality of life of our citizens.

The Commission is working towards coming forward with an analysis-based vision for a Union's strategy by November 2018. This is the right timing, as it will send a strong signal to our partners during COP24 in Katowice that the EU is planning for the long term in a robust way.

The international community remains committed to the Paris Agreement, and the EU is **keen to shoulder our responsibility, to step up to the plate, and to show leadership**.

Coming forward in November with the Commission proposal will also allow us to have a broad and thorough discussion next year so that we can submit a long-term strategy to the UNFCCC, at the latest in early 2020, as required under the Paris Agreement.

Before I go into more detail about how we should develop this strategy, I would like to underline that we have already undertaken a number of important

initiatives since Paris.

And this brings me to my **second point – where are we in the low-carbon, clean energy transition?**

Regarding the mid-term, the EU has made considerable progress in enshrining our policies and targets into law. Our regulatory framework on climate and energy for 2030 is almost complete and delivering the first results.

As a key element, EU decision makers have agreed to modernise the EU Emissions Trading System (EU ETS) for the period after 2020, to ensure it delivers the emissions reductions required and promotes investments. And we have seen the first signals of a market starting to take this into account.

We have also put in place legislation on 2030 targets for Member States for reducing greenhouse gas emissions in sectors not covered by the ETS, including transport, buildings, agriculture and waste, under the Effort Sharing Regulation. And we now also regulate the absorptions and emissions of our land use sink in EU legislation.

Combined, these pieces of legislation ensure that the EU meets its target to cut greenhouse gas emissions by at least 40% by 2030.

Our ambition is also reflected in the **Clean Energy for All Europeans package**, which puts in place the most advanced regulatory framework for enable the EU to remain a frontrunner in the clean energy transition.

It will facilitate the necessary investment and help the EU energy sector to become more inter-connected, more market-oriented and more affordable.

I'm delighted to confirm that we have now reached political agreement on the key elements related to reducing greenhouse gas emissions – namely reinforcing energy efficiency, renewable energy and the governance of climate and energy policies. The new governance rules include a provision also for Member States to prepare and report to the Commission their national long-term strategies with a perspective of at least 30 years.

The first proposal of the package – the Energy Performance in Buildings Directive – already entered into force yesterday! We have closed half of the proposals – and I am confident that we can close the remaining ones – relating primarily to electricity market design – by the end of the year, under the Austrian Presidency.

When it comes to our emissions reduction efforts, the deals we concluded last month on Renewables, on Energy Efficiency and on Governance are particularly important. These measures include an EU level binding renewable energy target of 32% and a 32.5% indicative energy efficiency target for 2030.

The combination of these two targets – and the requirement for EU countries to establish the first ever integrated national energy and climate plans defining their contribution to these targets – means that we are in a good position to do even better than 40% greenhouse gas reductions by 2030.

Our initial calculations suggest that the **European Union could consider raising the level of ambition and increase its target from the current 40% to slightly over 45% by 2030**. But this is something that will become clearer in the autumn.

This makes the EU probably one of the first parties to have implemented such detailed legislation on how to achieve our contribution under the Paris agreement.

Let me also take this opportunity to underline that the Commission is not just addressing climate change in our climate and energy policy initiatives.

In the transport sector, for example, where emissions are still higher today than in 1990, we are well on track to conclude new rules on low carbon mobility. These include new CO2 standards for cars and light vans, as well as for heavy-duty vehicles. I hope that we can still achieve great progress and adopt these by the end of the year.

In effect, the Commission is already on a path towards mainstreaming climate considerations into as many aspects of policy as possible. We are taking a holistic, fully inclusive, yet ambitious approach. This is also reflected in the presence of several of my colleagues today.

This consistent approach is visible also in the Commission concept for the future EU budget, which was recently published. We have proposed that one quarter of the next EU long-term budget is spent on climate-related action including support to clean energy transition, up from the current 20%. This would mean climate-related spending of around 320 billion euros in the period 2021-2027. This covers all major EU funding programmes, including cohesion, agriculture, infrastructure investment and research and innovation.

And that brings me back to the long-term strategy – and the **third aspect** of my speech today – **how we intend to go about establishing our long-term strategy**.

Let me start by confirming that the document we will present in November will not be a legal proposal. It will not set new binding targets, or already decide to change policy instruments. But it will set out clear milestones to reach our ambition and outline what our margins are and what policy domains will need particular focus in the decades to come.

The Commission has already started work on the economic, social and environmental analysis for this strategy. And this will of course be updated as we go along – for example, by including the results of the forthcoming IPCC Special Report on limiting the global temperature rise to 1.5°C.

One thing is clear: if we want to meet the Paris goals, we will need to look at higher reductions in emissions than is presently the case for the longer term, building on our recently agreed 2030 targets for renewables and energy efficiency.

While our current approach to reduce emissions by at least 80% is compatible with a 2°C objective, our long-term strategy will have to consider more

ambitious options in order to achieve 1.5°C. We will look at multiple pathways to achieve a range of ambition levels. Clearly this will include also looking into pathways to net-zero greenhouse gas emissions in 2050.

With the cost of renewables having dropped enormously in recent years – solar panels are more than 80% cheaper to produce than they were 10 years ago – we need to consider the likely developments in terms of technological innovation and economies of scale. The energy sector will be a major vehicle for progress here, but all industrial sectors have scope for major changes.

Industry is seriously looking into how it can decarbonise. Zero-carbon steel, hydrogen-based production processes, sectoral integration, circular economy business concepts are all being developed rapidly. We need to consider how to further push these concepts into the real market. Allow me just to repeat what I said earlier – with these challenges come a wealth of opportunities.

As well as reducing emissions, we must also look at how to absorb emissions in order to get to zero net greenhouse gas emissions. We should not forget that a low carbon economy will need to focus on how land is used – not only to grow our food, land to produce feedstock and biomaterials, but also to produce climate neutral bioenergy and absorb CO₂.

Central to it all, we have to consider the position of citizens – the consumers – us, but also the role that we can play in the process with our own choices.

We are aware that this transition is likely to imply broad societal transformation. We will see changes in the nature of work and the types of jobs available. While overall this will be a positive development, with more local jobs, some sectors and regions will face transition challenges. We need to be willing to identify these and address them, and ensure that no region is left behind.

All in all, as you will have gathered, there is a very broad range of issues for us to consider.

Consultations with stakeholders will be a critical part of the process in order to ensure that we understand all perspectives. And we aim to be as inclusive and transparent as possible in this process.

We have already held a number of meetings and today's conference is the next step in consulting stakeholders at large. And the broad spectrum of interests we see represented today is a sign of just how widely we need to consult.

Looking at the diversity and quality of speakers, looking at the turn out of this large crowd, I am very hopeful it will be an interesting and fruitful event and I already would like to thank you for your attendance.

I can also announce today that we will be opening a public consultation early next week. It will have a large set of questions addressing the type of issues we will be discussing in the next two days. It will run for 12 weeks, and I would encourage all of you to contribute actively in this consultation.

We will also be organising a range of other activities and more targeted consultations in the coming months, with a view to having substantial input from all sides.

The publication of the Commission proposal in November will stimulate further debate within the EU – with active input from the Council and the European Parliament expected in the course of 2019.

Such a process will also factor in the contributions that Member States will put forward in their integrated Energy and Climate Plans.

To conclude, I would like to emphasize the need for the EU to be clear on our long-term planning. It is of utmost importance to guide the investments into the low-carbon future and to spur research and innovation into a modern, clean and competitive economy. And to show leadership on the global stage. We are putting forward an inclusive process for preparing the forthcoming long-term strategy.

And so my **main message** to you today is that the European Commission is ready for this challenge – but we need your input for our preparations. We are listening.

[First population estimates – EU population up to nearly 513 million on 1 January 2018 – Increase driven by migration](#)

On 1 January 2018, the population of the **European Union** (EU) was estimated at 512.6 million, compared with 511.5 million on 1 January 2017. During the year 2017, more deaths than births were recorded in the **EU** (5.3 million deaths and 5.1 million births), meaning that the natural change of the EU population was negative. The population change (positive, with 1.1 million more inhabitants) was therefore due to net migration.

[Full text available on EUROSTAT website](#)