

COMMITTEE ON THE ENVIRONMENT, PUBLIC HEALTH AND
FOOD SAFETY

COMMITTEE ON INDUSTRY, RESEARCH AND ENERGY
COMMITTEE ON ECONOMIC AND MONETARY AFFAIRS

INVITED COMMITTEES:
COMMITTEE ON EMPLOYMENT AND SOCIAL AFFAIRS
COMMITTEE ON TRANSPORT AND TOURISM
SUBCOMMITTEE ON TAX MATTERS

HEARING OF WOPKE HOEKSTRA
COMMISSIONER-DESIGNATE
(Climate, Net-Zero and Clean Growth)

THURSDAY, 7 NOVEMBER 2024
BRUSSELS

1-0002-0000

ANTONIO DECARO*Chair of the Committee on the Environment, Public Health and Food Safety***BORYS BUDKA***Chair of the Committee on Industry, Research and Energy***AURORE LALUCQ***Chair of the Committee on Economic and Monetary Affairs*

1-0003-0000

(The hearing opened at 9:03)

1-0004-0000

Antonio Decaro, *Presidente della commissione ENVI*. – Buongiorno a tutti.

Desidero porgere il benvenuto al Commissario designato per il clima, l'azzeramento delle emissioni nette e la crescita pulita, Wopke Hoekstra, a questa audizione congiunta di conferma, organizzata dalle commissioni ENVI, ITRE ed ECON.

Desidero anche porgere il benvenuto a tutti i membri delle tre commissioni responsabili in maniera congiunta di questa audizione, ai membri delle due commissioni invitate, EMPL e TRAN, e della sottocommissione invitata, FISH, e a tutti i presenti.

Salutiamo anche chi ci sta guardando in diretta *streaming*.

Do il benvenuto ai miei colleghi co-presidenti di questa audizione, Borys e Aurore, che sono presidenti delle due commissioni che dirigeranno questa audizione di conferma.

Devo ricordare che il Parlamento valuta i Commissari designati sulla base delle loro competenze generali, del loro impegno europeo e della loro indipendenza personale. Valuta anche la loro conoscenza del futuro portafoglio e le loro capacità di comunicazione.

Prima dell'audizione, il Commissario designato, Hoekstra, ha risposto per iscritto a un questionario di preparazione. Le risposte scritte sono state distribuite a tutti i deputati in tutte le lingue. La commissione giuridica ha valutato, sulla base dei documenti presentati, l'eventuale esistenza di conflitti d'interesse reali o potenziali. Non ha sollevato obiezioni allo svolgimento dell'audizione.

Do ora la parola al co-presidente Borys Budka che presenterà la struttura di questa audizione di conferma.

1-0005-0000

Borys Budka, *Chair of the ITRE Committee*. – *Grazie presidente*, before we proceed, let me explain the structure of this confirmation hearing. Mr Hoekstra will make an opening oral statement of maximum 15 minutes, not hours, 15 minutes! After the introduction, there will be the time for four rounds of questions and answers. The first round is for political group coordinators. It will consist of five-minute slots, each with one minute for the question and two minutes for the answer from the Commissioner-designate. With a possibility – it's not necessary – of the follow up question from the same Member, no longer than one minute, with one minute for the reply.

The second round consists of three-minute slots for each Member, based on the overall distribution of speaking time among the political groups, including a representative from the non-attached Members.

The third round of questions is for chairs of the invited committees with three-minute slots each.

The final round of questions will be for political groups in reverse order, also with three-minute slots each. All slots of three minutes will be divided into one minute for the questions and two minutes for the answers from the Commissioner-designate. And remember that 10 seconds before the end of the time, the stars appear on the monitor.

After the final round of questions, Mr Hoekstra will have five minutes for a closing statement.

In order to ensure the smooth running of the hearing, all the Chairs will be very strict with the speaking time and will not allow speakers to exceed their allocated time. I would like to draw attention to the fact that interpretation will be provided in 23 languages. All speakers can therefore use their own language. However, speakers are reminded that what they say will need to be interpreted and that they should therefore not speak too quickly.

I would like also to inform you that this confirmation hearing is streamed live on the Parliament's internet site. On the same site, it will be possible to access a video recording of the hearing within a few hours after it ends.

Now I give the floor to my co-Chair, Aurore Lalucq.

1-0006-0000

Aurore Lalucq, *Chair of the ECON Committee*. – Commissioner-designate, before we move on to your opening statement, let me start by acknowledging your responses to the horizontal written questions and your readiness to cooperate with the European Parliament. This is extremely important in the context of the revision of the Framework Agreement between the European Parliament and the Commission, in particular regarding your engagement to be present on a regular basis in committees and plenaries, to follow up on Parliament's legislative initiatives, and to timely share information to Parliament as co-legislator and arm of the budgetary authority.

We count on the full implementation of these commitments, and we would like to emphasise the Commission's role as an honest broker in all legislative procedures and interinstitutional negotiations, ensuring equal treatment of Parliament and the Council. We equally count on your full cooperation to also inform our committees in advance of all upcoming proposals, with detailed justification for those requiring urgent action. This will ensure transparency and allow Parliament to properly exercise its prerogative.

I now give the floor to the Commissioner-designate for climate action, net-zero and clean growth, Mr Hoekstra, for his opening statement of no longer than 15 minutes.

1-0007-0000

Wopke Hoekstra, *Commissioner-designate*. – Thank you very much, Madam Chair, honourable Members, we are gathered here today to talk about climate action, competitiveness and taxation. But I cannot start talking about substance before saying a few words on what has been on our minds for the last weeks: the truly devastating and deadly rainfalls in beautiful Valencia. So, I would like to take this opportunity to express my deepest solidarity with all of those families who have lost

relatives and with the many citizens who have lost their homes and livelihoods. This truly is a tragedy.

Mesdames et Messieurs les présidents, Mesdames et Messieurs les députés, c'est un privilège de me trouver devant vous à nouveau. Ce fut un honneur pour moi d'être commissaire cette année, et aujourd'hui je souhaite partager avec vous la feuille de route pour le climat et la fiscalité que je souhaite concevoir et mettre en œuvre au cours des cinq prochaines années si j'obtiens votre soutien.

Je tiens tout d'abord à vous remercier chaleureusement pour l'excellente coopération et le soutien que j'ai reçus de votre part depuis mon entrée en fonction. Vos points de vue et votre leadership ont toujours été très instructifs et précieux pour notre travail, et cette assemblée a joué un rôle déterminant dans le renforcement de l'action pour le climat et dans la recherche d'une plus grande compétitivité industrielle.

Mesdames et Messieurs les députés, tout au long de ma jeunesse, mes parents et grands-parents m'ont fait découvrir de nombreux endroits à travers l'Europe et j'ai eu le privilège de vivre en Italie, en France, en Allemagne, en Belgique et aux Pays-Bas. À chaque endroit de l'UE où j'ai passé du temps, j'ai pu ressentir nos valeurs communes telles que la coopération, la solidarité, la paix et la prospérité. J'ai également vu la richesse et la diversité de nos cultures, et si je suis confirmé, je continuerai à défendre ces valeurs avec détermination.

Honourable Members, because the signs of the times we live in are clear: Russia's war of aggression against Ukraine, the backsliding of the rule of law, attacks on democracy itself all remind us that our common values are, unfortunately, not a given. Europe faces fundamental challenges, clearly in the geopolitical domain, clearly climate change, innovation and technological disruption, and a wide range of other issues. Many of these, unfortunately, will stay with us for decades to come. I would love to serve to make Europe ready for the future.

Honourable Members, please allow me to outline my vision on climate action. Science is crystal clear: climate change will result in rising sea levels, increased flooding, threaten our food supply, our lives and our human health and infrastructure, and we cannot wait. We have a responsibility for today, and most importantly, for the generations to come. If we want to do this well, we do need to address four core elements: climate action, competitiveness a just transition, and, of course, also the international dimension.

We need to strengthen climate action, and I am firmly committed to staying the course. The legislators have set a roadmap to follow to bring down emissions through ambitious climate objectives for 2030 and, of course, 2050. What I will do is table a targeted legislative proposal to enshrine a net 90% emission reduction target for 2040 in the European Climate Law. I will also bring forward proposals for the post-2030 climate policy framework to enable a predictable, fair and cost-efficient transition beyond 2030.

The consequences of climate change are, regrettably, already felt everywhere on the continent – from the floods this year in Spain, as I said, in central Europe and northern Italy, to wildfires in Greece and in Portugal. We need to better prepare ourselves for such devastating events because, unfortunately, we'll see more of it.

We will need to improve the climate resilience of our societies and of our economies. Therefore, I will drive forward a European climate adaptation plan in line with the President's political guidelines, and build on the Climate Risk Assessment we published earlier this year. It is about

saving lives and saving livelihoods, and it also makes total economic sense to ensure that our assets and investments are actually climate change-proof.

Meine sehr geehrten Damen und Herren! Ich bin zutiefst davon überzeugt, dass es keine Wettbewerbsfähigkeit ohne Klimaschutzmaßnahmen gibt. Und es gibt keine Klimaschutzmaßnahmen ohne Wettbewerbsfähigkeit. Um diese Ziele auf EU- und globaler Ebene zu erreichen, müssen wir die Dekarbonisierung in Europa beschleunigen. Kohlenstoffpreise durch marktbasierende Systeme können zur Schaffung einer wettbewerbsfähigen, sauberen Wirtschaft eingesetzt werden. Wir haben großartige große und kleine Unternehmen in einer Vielzahl von Sektoren. Unsere Industrie ist bereit, in eine saubere industrielle Zukunft zu investieren. Das sehen wir an einem überzeichneten Innovationsfonds. Wir müssen ihnen helfen, die Klimaziele zu erreichen, die wir gemeinsam festgelegt haben.

In den ersten 100 Tagen werde ich gemeinsam mit meinen Kollegen an einem *Clean Industrial Deal* arbeiten, um die Wettbewerbsfähigkeit zu fördern. Und mit diesem Deal wollen wir die Rahmenbedingungen für erschwingliche Energie und saubere Investitionen schaffen. Ich sehe dabei mehrere Bausteine wie zum Beispiel die Unterstützung der industriellen Dekarbonisierung, die Ermöglichung des Zugangs der Industrie zu ausreichender und erschwinglicher Energie, die Förderung sauberer Technologien, die Schaffung von Investitionsanreizen und Leitmärkten sowie die Förderung von Kompetenzen. Und wir müssen dafür sorgen, dass für unsere Industrie gleiche Wettbewerbsbedingungen herrschen.

Honourable Members, the vast majority of our citizens are concerned about climate change, and they feel first-hand the consequences of it, but are also worried about the cost of the transition. A prospering economy is therefore essential for citizens to be able to access important elements in life: security, a home, good working and living conditions, and affordable healthcare. So our just transition framework needs to be ready for the next stages of the climate transition. Among others through a successful rollout of the Social Climate Fund, vulnerable households and micro-enterprises will also benefit from the transition.

Honourable Members, one thing is clear: the EU cannot solve the climate challenge alone. We can only continue to lead by example if we also bring the others along. That is the reality we face on the global stage. We account for only 6 % of global emissions, and yet we will have to make sure that the other 94 % are being tackled as well. So therefore we need to be more assertive about our expectations towards the rest of the world.

There is a clear imperative, and it is only fair to ask more from China, the US and other large emitters. At COP28, of course, the focus will be on climate finance and a new collective quantified goal. The geopolitical situation is of course grim, and that will have an impact on COP29 and on our climate diplomacy. But this cannot be an excuse for inaction. What we need is more leadership, more assertiveness and more cooperation. I will contribute to setting our global climate and energy vision ahead of COP30 to raise ambitions globally.

Promoting carbon pricing and carbon markets globally is at the heart of our diplomatic efforts. Rolling out our Carbon Border Adjustment Mechanism will also enhance this effort, and this will prevent carbon leakage for our industries and encourage others to start pricing carbon.

Honourable Members, it is a great privilege and a huge opportunity to be asked to also take responsibility for taxation. This is an issue close to my heart, because taxation is, if you will, the engine through which we pay for everything we find meaningful. And how we do this says a lot

about what we together consider fair. Especially in times of unfortunately growing inequalities, we need to ensure that the broadest shoulders carry the heavier load.

Our tax systems must keep up with the developments of economies and societies, and therefore it is important to ensure that new kids on the block, like tech companies, pay their share, as do traditional industries and enterprises. Our tax systems must facilitate rather than hamper our climate transition. Actually, if you look at it, many of the tax files on the table do have a clear link to climate, and almost all of the files have a link to competitiveness, directly or indirectly.

Let me recall the rules and context of the EU Treaties. Whether we like it or not, and I know there are different opinions in this House, Member States have the leading role in most of the files related to taxation. I acknowledge that, and if I am confirmed as Commissioner, I will work towards EU tax initiatives to help Europe's competitiveness, its prosperity and – extremely important – its social fairness. I would also like to focus on greening taxation, closing the tax gap, simplification, and pursuing the work that is there to be done internationally.

I firmly believe in 'greening taxation'. I'm deeply convinced that taxation can support the objectives of a clean transition, and I hope to close – with your help – the negotiations on the Energy Taxation Directive. I would also like to explore other ways to help the transition, for instance by further greening our VAT system, because taxation actually can be a key pricing instrument for driving climate goals and strengthening our European unity.

Importantly, I also want to help close the tax gaps. We have had quite some success so far in closing the VAT gap. We can and should do more in this domain and show the similar ambition in all other areas, because this can be highly profitable for both the taxpayers and the companies in the European Union. Implementing and enforcing the EU direct tax legislation is therefore key. I also want to continue the fight against tax fraud, tax evasion and tax avoidance. We can help Member States to fix this, and we should. Of course, in the last five years, an unprecedented number of ambitious legislative proposals were delivered. Some of the notable examples are the Minimum Tax Directive, implementing Pillar 2 of the OECD agreement, and the ViDA adopted by Ecofin just last week.

Simplification, as I mentioned, will also be a key part of my priorities. Streamlining in the area of exchange of information, like the directive on administrative cooperation and aggressive tax planning, can actually help reduce the administrative burden and make the system more efficient, and that is absolutely essential. It doesn't mean lowering the bar: it should mean making life easier and simpler for all.

Last but not least, I want to enhance the work done internationally, both at the OECD and at the UN level. Greening our economies and dealing with the digital and platform economy is a global challenge, it's not just a European thing, and we need to engage with the global south and developing countries and push the implementation of the OECD Pillar 2 framework and to continue the work on the negotiations on Pillar 1. This is critical to clamp down on aggressive tax planning by large groups of companies. I will remain fully committed to a multilateral approach to digital taxation. We have also done great work in promoting international tax good governance globally.

Honourable Chairs and honourable Members, in the years ahead we face truly critical challenges, and I feel we have a collective responsibility to fight climate change and to help businesses and citizens manage this transition. Together, we can build a better future for our Europeans, and together we can protect and defend and enhance our shared values and ensure a prosperous future

for all of us. Together, we can lead the change and bring other nations along. And together we can turn taxation into an essential tool for ensuring fairness.

Together, we can actually overcome any obstacle, and we will emerge stronger, ensuring a future where peace, prosperity and freedom are there to be had for all. Thank you.

1-0012-0000

Antonio Decaro, *Presidente della commissione ENVI*. – Grazie, Commissario designato, per il suo intervento.

Passiamo adesso alla fase delle domande. Il primo *round* prevede gli interventi dei coordinatori dei gruppi politici. Borys ci ha ricordato quali sono i tempi. Cerchiamo di rispettarli, anzi rispettiamoli.

1-0013-0000

Peter Liese (PPE). – Dear Commissioner-designate, thank you for your introduction and I have to thank you for your work in the last year, in particular, at the international level, you played a major role for our success in the COP in Dubai.

My question is on the ETS. It's a cornerstone of our climate policy. We need a review, as you know, in 2026. In particular, we need a review because, if not changed, the ETS will not have any certificates anymore in 2039 – way before 2050, when we want to be climate neutral. So how will you look into this? Can you, for example, imagine including negative emissions in the ETS?

And how will you enforce the obligation of the Member States to spend the money on purpose? Many Member States didn't do that so far. We need support for the industry to be really competitive, to spend the money on new technologies, but also in particular from the revenues from ETS, not only from the Social Climate Fund, but also national revenues. We need support for the citizens, in particular for the hardworking people that still don't have a lot of money. How do you think we can do it better?

1-0014-0000

Wopke Hoekstra, *Commissioner-designate*. – Thank you very much, Mr Liese. I think that this is absolutely spot on. As I've said before, ETS, in my view, is truly both a working horse and the crown jewel of our policy. It is probably the most effective thing we have embarked on if you look at this from an impact perspective and that is precisely why we are advocating it – we're pushing it forward also internationally.

And yet, of course, the challenges will continue to arise. And one of the things we plan to do, as you rightfully said – by the way, this was a clear request by Parliament – is a review in 2026. It will touch upon a couple of items: it will touch upon maritime. It will touch upon aviation. It will touch upon municipal waste. And as you rightly said, it also touches upon negative emissions.

Just to be very clear, negative emissions are a cornerstone of making it to net zero. It's not just my opinion, but the scientific advisory board is crystal clear: we need to drive fully down emissions. We need to do more internationally and we will need negative emissions for the years to come. And I will absolutely look into the ramifications, whether this could be included, what it would mean, how we make sure that it's not going to be an excuse for driving down emissions, as I just said, that should also be part of the 2026 review. And we'll do that with an open mind and of course, in close dialogue with this esteemed assembly.

Then, on your second point and making sure Member States spend the money wisely, that is extremely important. We're talking about big money here. It's EUR 250 billion that we assess we make in the next years on ETS 1 alone, and EUR 175 billion of that will be spent by Member States.

So, let's make sure they do the right things, the most effective things, the most cost-effective and climate-effective things going forward. And you might have been referring to, for example, the social leasing schemes that we have seen in France. But there are other best practices and I feel that we have a role as a European Union – Parliament and Commission alike – to gather the best practices, to make sure we have sufficient skill in the way we do this and push forward those things that are best for Europe.

1-0015-0000

Peter Liese (PPE). – That was already very clear. You mentioned leasing schemes and I think it's in fact a good model. But in France it's very much focused on a very small number of people. Can you imagine that you help Member States, for example, also in cooperation with the European Investment Bank, so that we can frontload the revenues from the ETS2 so that more people than in France will be supported when they want to go for a new, clean car?

1-0016-0000

Wopke Hoekstra, Commissioner-designate. – I think what is helpful is to maybe make it even broader than the specific car, if you would allow me. But I think this is exactly what we need. And why is that? I was already mentioning ETS 1, where there is substantial money available. ETS 2 will make, in our assessment, even more. We're talking about, I think, roughly EUR 270 to 275 billion – so two large pots of money.

As always in politics, the big question is: how do you then spend it wisely? How do you spend it in such a way that we get most bang for our buck for climate? That we do it in the most efficient and business-friendly way? And we do it in a way that enhances the just transition I think we all want in this House? And Member States are doing it, but there is a huge opportunity to actually coordinate better, to make sure there's more scale, that best practices go from one country to the next, because actually there is too little data sharing, information sharing, in this domain.

And the example of France, when done at scale, might indeed be one of the most effective things. It could also be something else, or a combination. And what I will do is always make a thorough assessment and be impact driven here and be impact driven along the dimensions I mentioned: a climate, just transition and competitiveness. I think this should be at the heart of our policy.

1-0017-0000

Tiemo Wölken (S&D). – Dear Commissioner-designate Wopke, over the last year, you have started to implement the Fit for 55 package, which sets us on course to reach our 2030 climate targets. Companies all over the European Union have made their investment plans in accordance with these laws. You said it yourself in your opening statement: the number one ask is regulatory stability in order to safeguard these investments and our zero-emission future.

Can you commit today that in the next years, in addition to the work on new legislation, you will implement all elements of the climate policy framework? And specifically, both President von der Leyen in the political guidelines, as well as your possible future colleague Tzitzikostas in his hearing on Monday, committed themselves to the 2025, 2030 and 2035 car targets. Will you do the same? How will you ensure not only the competitiveness of this key industrial sector – and this is really

important for us – but also guarantee a just transition for all its workers in the current market environment?

1-0018-0000

Wopke Hoekstra, *Commissioner-designate*. – Thank you very much, Mr Wölken, and also for all the counselling and great cooperation we had. And let me underline, as I did before, the absolutely pivotal point of predictability. In the eyes of business, the reality is they find that we politicians actually change our minds quite often, and they are much better than we are at planning. And the reason is very simple. They typically have long investment horizons, way longer than a political cycle. Sometimes they are investing for decades ahead, particularly in the heavy industry. So that is also why, for example, in the last campaign for the British elections, the then-Prime Minister changed the targets for the car industry. Who were the ones who were first criticising that the next morning? It was the car industry.

Yesterday, there were companies telling us to stay the course in the domain of deforestation. Why is that? It is because they like to give input at the beginning. They might sometimes have different opinions at the beginning, but once they set things in motion, they want to stick to course. And it is of pivotal importance that we stick to that. So that to your first question.

Secondly, on cars. Absolutely. This is a key sector for the European Union and for four or five, six, seven Member States in particular, but, frankly speaking, for all of us, and the least we can do is make sure that these companies, and all the millions and millions of people who work directly or indirectly in these sectors, have a bright future. It will involve change. But change is part of human nature. And it is up to us to make sure we set the prerequisites, and I'll gladly do so together with Mr Tzitzikostas, the President and all the others in the Commission.

1-0019-0000

Tiemo Wölken (S&D). – Thank you very much. Not as clear as I expected, but let me turn now to a different topic.

Recent catastrophes like the extreme floods in Spain are stark proof that we cannot let up on our efforts on climate, neither on mitigation or adaptation.

So, three questions: how will you ensure that we will be able to meet our targets while also accomplishing a truly just transition? In order to make the just transition a reality, will you commit to an increase in the financial envelope for the Social Climate Fund and raising the current 25 % share of ETS revenues that can be used for it? And will you commit today that the promised climate adaptation plan you mentioned, it will not just be some empty recommendations, but instead a proper climate adaptation act with legal force and comprehensive funding accompanying it?

1-0020-0000

Wopke Hoekstra, *Commissioner-designate*. – Three actually great but also pretty broad questions, and given your mild criticism after the last question, I'll try to do them relatively quickly.

A just transition, as I said before, is absolutely essential. What is at the heart of it – and therefore I mentioned the statistics before already – I think 90 % of our populations are worried about climate change, because they see what it does. And yet they're also worried about what it does to their livelihoods. And I think we can all imagine. I mean, just imagine you work in a coal factory, and you intellectually understand the plant is going to close, but you have kids to feed, you have a mortgage

to pay. You have all sorts of things that have ramifications. So, you will need re-schooling, re-skilling, and that is precisely what I will work on with the other Commissioners.

As for the Social Climate Fund, indeed, for all the right reasons, we put EUR 87 billion on the table. Part of that is Member State money. A huge chunk is European money. What I cannot do here today is enlarge that envelope upfront. That would also not do justice to all the great work this Parliament has done.

But what I can say is that I will promise if that is not enough, then we will need to do more. We will not succeed in the transition without this.

1-0021-0000

Silvia Sardone (PFE). – Il sistema produttivo dell'auto europeo barcolla sempre di più: abbiamo visto che Volkswagen minaccia di chiudere tre stabilimenti in Germania; la Audi chiude una fabbrica; in Italia Stellantis blocca le produzioni e finiscono per restare disoccupati anche tutti quelli della filiera.

I produttori di auto chiedono un cambio di rotta: quindi vorrei capire qual è la sua posizione sulla revisione 2035 del bando diesel e benzina.

Inoltre, vorrei anche capire, se c'è un'apertura per i biocarburanti, seguendo quanto fatto con gli e-fuel.

Infine, abbiamo appreso che l'intento della Commissione è di procedere verso un orizzonte che prevede la scomparsa dei combustibili fossili.

Vorrei sapere come intendiate farlo. Noi crediamo che il nucleare di ultima generazione sia un'opportunità importante: vorrei comprendere se avete in mente di aprire anche a questa soluzione.

1-0022-0000

Wopke Hoekstra, Commissario designato. – Grazie signora, anche per la sua domanda e spero che vada bene che io replico in inglese. È da troppo tempo che sono stato a Roma e non ho il vocabolario giusto per l'audizione. Mi dispiace.

I think this builds on and gives me also the opportunity to further enrich the answer I just gave. I think the first pillar, as I said, that the car industry needs is clearly predictability.

The second thing: I didn't have time for that when I was answering Mr Wölken, but it's extremely important for all industries and I'll fight ferociously for this is a level playing field. We have an unlevel playing field. Europe needs to have more of a level playing field in the battery industry, in the car industry, in the wind industry, in the solar industry, basically all across the board.

The third element that we need to do is making sure that we provide the infrastructure. Many of the car companies' CEOs I talked to have said that they can deliver on the targets, they can deliver on the electrification, but what they need from us is investments in the grids and loading infrastructure so that our people can actually drive from A to B. I think that is a fair ask, and that is something where we need to do more. As for e-fuels and biofuels – and I know biofuels is a very sensitive topic for you, Madam – but I cannot open the box that was closed before. What I can say is that I feel there is a bright future for biofuels. Actually, we need more of it, particularly in many of the other

domains, but I don't think we can now revisit the commitments we made – this Parliament made – on how we advance with the car industry.

1-0024-0000

Silvia Sardone (PFE). – Vorrei una posizione più chiara sul nucleare di nuova generazione.

Inoltre, sulle auto, Teresa Ribera Rodríguez, con la quale dovrà collaborare, ha dichiarato che lo stop a benzina e diesel nel 2035 dà prevedibilità al settore. Non so di che prevedibilità stesse parlando, forse quella della chiusura.

Adesso parlava di *par condicio*. Ecco, lei sa perfettamente che, mentre aziende europee chiudono, ci sono delle scelte che avvantaggiano Paesi asiatici che non stanno riducendo minimamente le emissioni. Vorrei, quindi, comprendere in che modo l'Europa può sostenere la competitività a livello mondiale.

Inoltre, all'inizio, parlava di rischio climatico, di salvare vite. Io arrivo dall'Italia, che è una terra particolarmente fragile, dove da sempre però i Verdi ci dicono che non dobbiamo pulire i letti dei fiumi e conservare gli argini con le conseguenze che abbiamo con le alluvioni. Quindi, volevo sapere se lei è favorevole a un maggiore intervento dell'uomo e non un minore.

1-0025-0000

Wopke Hoekstra, Commissioner-designate. – Again, tremendously important topics, let me – because I have only one minute – stick with the car sector for a bit, because I would like you and everyone to know that I feel here it is of tremendous importance we bring those two things hand in hand, making sure we continue with our climate ambitions and make sure that this sector not just survives in Europe, but can actually thrive. In your beautiful country, in Germany, in the Czech Republic, in Slovakia, in France, in all those countries that have a huge and very important car industry.

What I would suggest is that Mr Tzitzikostas and others and myself will embark on a dialogue with the car industry to basically articulate how we can shape this bright future, how we can stick to the targets, how we can bring predictability, how we make sure that there is a level playing field, and at the same time how these companies can actually thrive and the workers there can thrive in a reality that will change, but that still has a lot of potential.

1-0026-0000

Ondřej Krutílek (ECR). – Commissioner-designate, my group is highly concerned about the alarming situation in the European automotive industry as well. It is experiencing a downward trajectory for the sales of battery electric vehicles and a worsening market outlook for the next year. It is already evident that European manufacturers of cars and vans will not be able to meet the targets for 2025 set by regulation on CO2 emission standards and subsequently face the risk of significant penalties.

Such a scenario could lead to limiting their strategic investment in innovation, including zero-emission technologies, result in job losses and further undermine the competitiveness of the European automotive industry. Would you be ready to offer some relief measures for the automotive industry, including a targeted legislative proposal amending the regulation to postpone the implementation of the penalty mechanism before the 2025 CO2 emission targets come into effect?

1-0027-0000

Wopke Hoekstra, *Commissioner-designate*. – A tremendously important question. I'll try to enrich my answers with every question I get, but I don't know how long I can pursue that.

Again, it is, I think, a whole combination of things that are of pivotal importance, but I've mentioned them before. So let me let me not dwell on that. I do think that having a dialogue and listening to the concerns that are there in the sector is of pivotal importance. I am less sure, to be honest, whether changing targets is something that the sector asks. Actually, many car companies have asked us, have approached us, to stick to the 2035 targets, but frankly speaking also to the 2025 target.

And what we have seen before, I just recall – I wasn't here, but many of you were – we had exactly the same situation in 2020 and 2021. Before the deadline, many of these companies were actually worried what this would be and there were figures of huge fines going around. In the end, one company got a fine of less than a quarter of a billion, which is substantial money, but if you then allocate that or equate that to the profits they made, I think it was actually a lot lower at least than many observers expected.

So, I'm all in for making this sector a success. I hope you take my word, but certainly my actions for it, and Tzitzikostas and other Commissioners already vetted or to be vetted by all of you are of the exact same inclination. Let's make sure we deliver.

1-0028-0000

Ondřej Krutílek (ECR). – My additional question deals with steel, which is an important material for production of cars. The European steel industry is also declining and needs to be rapidly resuscitated. If the aim to move towards so-called green steel, we need to support the strategic steel industry on its road to successful decarbonisation.

What specific steps would you take to make instruments like ETS and CBAM work effectively for the steel industry, and also to avoid any further carbon leakage?

1-0029-0000

Wopke Hoekstra, *Commissioner-designate*. – Again, I'll try to be as succinct as possible in one minute, but let me stress what is most important in my view: we need a green steel industry in Europe. Full stop. We cannot have another dependency on places outside of our European Union. It needs to be produced here. It needs to become greener and we will put all our efforts towards getting that.

By the way, that is precisely what this Parliament and the previous Commission have already embarked on. Because if you look at the free allowances, you will see that the vast majority of that goes to steel. If you look at where a lot of the Innovation Fund money is going – with actually excellent examples in in Sweden, but also here close in beautiful Ghent – you will find that that is precisely what we do. And it is the one sector that was specifically mentioned in the Clean Industrial Deal approach by the President.

So, a lot of work ahead of us, but I am confident that actually in this sector as well we can deliver.

1-0030-0000

Pascal Canfin (Renew). – Monsieur le Commissaire désigné, vous ne serez pas obligé de répondre en français. Je voudrais d'abord vous dire à quel point nous soutenons ce que vous avez dit sur la

nécessité de la prévisibilité, la cible 2040 et les réponses que vous avez faites aux questions sur les voitures, j'y reviendrai dans un instant.

En revanche, je ne pense pas que nous puissions être satisfaits de votre non-réponse à la question de mon collègue Tiemo Wölken sur l'adaptation. Le Pacte vert, c'est 99 % de réduction des émissions et un tout petit pour cent d'adaptation. La réalité des citoyens sur le terrain est très différente. Évidemment, nous avons tous en tête les événements récents en Espagne, mais qui ne sont qu'un exemple parmi beaucoup d'épisodes récents. Quelle garantie avons-nous, quel engagement pouvez-vous prendre maintenant devant nous, que votre plan d'adaptation ne sera pas une boîte vide, non législative, qui ne changera rien à la donne?

1-0031-0000

Wopke Hoekstra, *Commissioner-designate*. – Thank you for what is indeed, I think, one of the pivotal things in the domain of climate action going forward. We have been talking a lot about standing on those two legs – standing on the on the leg of mitigation and also on adaptation. In this period we do need to make it work. All the misery we've seen also recently for people in Spain and elsewhere, let that be the trigger point to truly do this.

And indeed, my focus will be on impact. And if legislation is needed for that, I'll make sure we push that. I don't think we should have a conversation that it needs to be legislation per se, or it shouldn't, but it should be impactful. And that means a lot of convincing that actually we need to do also towards Member States, because I engaged with all of them on this, many of them want us to do more, that is the good news, but at the same time, they will explain to us that actually they know better than we do how to build dykes, how to deal with droughts, how to do many of these things. I think that indeed they have expertise, but there is a lot more that we can do in perspective-sharing. There's a lot more that we have to do in making sure we enforce, and we put on the table where the risk management would be.

There's one critically important thing that we should link to the next MFF, and that is that we need to mainstream the adaptation money. The size of the price of the last couple of years has been roughly in the domain of between EUR 60 and EUR 100 billion for Europe. Sometimes it was one country, then it was another one. These price tags, unfortunately, will stay with us and they will probably go up. So it will cost way more money – national money, but also European money. So let's at least make sure that whatever we spend through the MFF is absolutely fully adaptation-proof.

1-0032-0000

Pascal Canfin (Renew). – Ma deuxième question fera écho à celle de Peter Liese sur le leasing social, car ce n'est pas tous les jours qu'un membre de la CDU soutient une mesure prise par le gouvernement français. Je voulais savoir si vous pouviez vous engager aujourd'hui à défendre l'idée d'un leasing social européen pour les voitures? Parce que ça a marché en France. On peut discuter du champ, on peut discuter des critères, mais ça a marché. Est-ce que vous pouvez vous engager à défendre cette idée au niveau européen?

Deuxième question: plus largement, l'enjeu aujourd'hui est de soutenir la demande en produits décarbonés. On a fait énormément de choses pour développer l'offre. Elle est là: les voitures, l'acier, les électrolyseurs, etc. Elle est là, maintenant il faut soutenir la demande, le leasing social, mais aussi d'autres mesures. Quels sont les engagements concrets que vous pouvez prendre en la matière?

Et dans ce soutien à la demande, est-ce que vous soutiendrez le fait qu'une partie des produits doit absolument venir d'Europe? Car il ne s'agit pas de soutenir la demande de produits chinois, mais de

soutenir la demande de produits dont une partie doit être créée en Europe, pour la valeur ajoutée et pour nos emplois.

1-0033-0000

Wopke Hoekstra, *Commissioner-designate*. – Let me underline that, all of it, but certainly also that last point, is of pivotal importance. And let me do it the other way around. So I agree with your last point.

And then answering your point, what could we do more next to social leasing? I mean there is a range of examples. One of the things that has always struck me is why we actually have so few solar panels, not only at a global level, but also on European rooftops. I've given the example before that I come from a country where it always rains. It has more solar panels on rooftops than the whole of Africa, but frankly speaking, there's a world to be won in in Europe as well.

To social leasing. Yes, let me commit to it. But let me also make the caveat with which you will understand, sir, namely that, of course, I will need to discuss this with all of you, with the College. But I am convinced that regardless of the exact scope, the exact nature and the exact elements, this could indeed be one of the things we should put forward. And I hope you recall from the year we have worked together that, when we put our minds to it, we typically tend to deliver.

1-0034-0000

Michael Bloss (Verts/ALE). – Dear Commissioner-designate, dear colleagues, this year has again set new records of extreme weather events all around the planet and in Europe. With the election of Donald Trump, we live now in a new political reality. You apply to us to become the EU leader on climate, and Europe needs to become the global leader to fight the climate crisis. So, Commissioner-designate, I hope you're up to the task. Leadership means taking the lead, not asking China or anyone else to move first. So I'm looking forward to your answers.

Do you commit to put forward a legislative proposal to enshrine the target of at least 90 % emission reduction by 2040 in the Climate Law within the first 100 days? Like you said, for the Clean Industrial Deal. How will you make sure that the Clean Industrial Deal works towards our 2030 and 2040 climate targets and, in particular, energy efficiency? It can deliver 25 % of the CO2 reduction after 2030. So do you commit to binding energy efficiency targets as part of the post-2030 framework? If not, how will you implement the 'energy efficiency first' principle?

1-0035-0000

Wopke Hoekstra, *Commissioner-designate*. – Indeed I would love to continue also to have your leadership in doing what is needed at the national, but also at a global, stage.

In terms of your question towards the 90 % and what comes beyond, I think it is a question of truly stage-gating it. One is – and there I'm fully with you – let's make sure that the communication within the first 100 days on the Clean Industrial Deal and the 90 % go hand in hand, I think that is step one. Then secondly – we probably need a bit more time for that – is that we have a targeted amendment, a targeted change specifically on the 90 % that is enshrined in law. Then thereafter you could say the real work starts both for the lag of the Clean Industrial Deal and for all the measures that we need to take, and that will take much longer.

What I hope you would appreciate is that I think that the way we exactly do that and whether we take the route you suggest – and I understand from your political orientation you have a knack for specific targets – or we take the road of the NECPs that we're now taking with Member States, or

more of a hybrid form. I think that is something we cannot pre-conclude today, but what is important, as we have done before, is that regardless of whether we set a target for 2030, 2035 or 2040, we then beef that up in reality. And so that is the task that is ahead of us. That will not be in the first quarter or in the first half-year, but that is something that we will diligently work on. I would love to have the guidance of this esteemed college as well.

1-0036-0000

Michael Bloss (Verts/ALE). – It didn't take you two minutes, so you can maybe take a little bit longer in your second answer. And so you said you don't want to step back on the Green Deal. And that means also keeping the CO₂ in cars regulation and all in its targets in place. I understand you uphold the 2025 target and revision will only come in 2026. I think that's really good because we really need certainty for consumers and for the market. And I think also for your own political group.

But we also need additional enabling measures to help the EU manufacturers. In this regard, can you commit to creating lead markets for e-mobility by coming up with the legislation for greening corporate fleets?

And talking about supporting efficient technology, you said yourself, we cannot CCS ourselves out of the climate crisis. Do you commit to limit EU support for CCS only to unavoidable industrial process emissions, as recommended by the European Scientific Advisory Board?

1-0037-0000

Wopke Hoekstra, Commissioner-designate. – I now understand that one of the criteria of success is fulfilling all the seconds of the time. So I'll try to live up to that – more 'in depth'.

I think the heart of your question, next to the comments you made to other political groups, was in the part on fleet. And I think that is actually something where we have a lot of work to do and where there is a great opportunity. Why is that? Well, first of all, because it truly would move the needle in terms of positive climate impact. And that is that is why I'm inclined to say yes to your suggestion, regardless of when we do it, and of course, with all the prerequisites that we need to first discuss it.

Secondly, it would have a potentially huge upside if these new cars are being made in this continent. That is something I cannot preclude, but just imagine that they would all be made in Europe.

And third, we are talking a lot about fossil fuel subsidies. This would be an indirect way of actually targeting many of them. We're struggling a bit with that. I'm sure I'm going to get a question later. But it is something we do have to nail, and this might be an indirect way of doing it.

1-0038-0000

Anja Hazekamp (The Left). – Commissaris, uw portefeuille is klimaat en schone groei. Alleen al het deel "schone groei" baart mij grote zorgen. Je kunt niet oneindig blijven groeien op een eindige planeet. Nu al worden in Europa jaarlijks 9 miljard dieren geslacht. Deze gigantische vee-industrie veroorzaakt afgrijselijk dierenleed, ziekte-uitbraken, vervuiling, maar ook een enorme uitstoot van broeikasgassen. Nu al vliegen er elk jaar zo'n half miljoen vliegtuigen van en naar Schiphol, omwonenden krijgen vijftig vliegtuigen per uur over zich heen en nu al verbruiken energie-intensieve en zeer vervuilende bedrijven als Tata Steel evenveel energie als miljoenen huishoudens, waarbij omwonenden ook nog eens te maken krijgen met grafietregens.

Denkt u echt dat de EU klimaatneutraal kan worden wanneer u megastallen laat uitdijen? Wanneer u de luchtvaart gratis uitstootrechten geeft en wanneer u bedrijven als Tata Steel in de benen houdt? Kortom: *business as usual* of echte klimaatactie?

1-0039-0000

Wopke Hoekstra, *Kandidaat-commissaris*. – Ik zal in het Nederlands antwoorden, anders wordt het misschien gek.

Waar we het over eens zijn, is absoluut echte klimaatactie. Ik hoop ook dat u daarvan overtuigd bent, ondanks onze misschien politieke verschillen. Dat is wat de Commissie en ook ik persoonlijk nastreven. Waar we, denk ik, een bijna filosofisch verschil van mening over hebben, is het belang van groei. Ik ben ervan overtuigd, met u, dat de groei die we hebben uiteindelijk in belangrijke mate volledig moet verduurzamen. We moeten toe naar volstrekt duurzame economische groei.

Maar als we ons een wereld zonder groei voorstellen, dan weet ik precies ten koste van wie dat als eerste gaat. Kijk naar elke crisis, elke financiële en economische crisis die we de afgelopen jaren in Europa gezien hebben. Dat is iedere keer ten koste gegaan van de middenklasse en de mensen met de kleinste portemonnee.

Dus wat wij moeten doen — en dat geldt voor elk van die sectoren die u noemde, voor *aviation*, dat geldt voor de zware industrie, dat geldt voor de boeren, dat geldt overigens ook voor de hele foodsector — is meer doen aan verduurzaming, maar niet door te proberen de groei te stoppen en te doen alsof we zonder kunnen. Ik denk echt dat dat, om een Nederlands gezegde te gebruiken (ik hoop dat de vertalers dat kunnen vertalen), het paard achter de wagen spannen is.

1-0040-0000

Anja Hazekamp (The Left). – Een jaar geleden zei u vergelijkbare dingen. Toen zei u ook dat alle sectoren, inclusief de landbouw, ertoe zouden moeten bijdragen om de klimaatdoelstellingen te halen. Vervolgens deed u niets om de uitstoot daadwerkelijk aan te pakken. Ik ben benieuwd wat u eigenlijk vindt van de woorden van de beoogde commissarissen voor Landbouw en voor Dierenwelzijn, die zich deze week botweg hebben uitgesproken tegen krimp van de vee-industrie en tegen maatregelen om de landbouwsector te verduurzamen. Neemt u afstand van die uitspraak? Als ik luister naar uw antwoorden, moet ik ook constateren dat we uw titel beter kunnen veranderen in commissaris voor Greenwashing en Cleanwashing. Ik hoor weinig concrete toezeggingen. Daarom nog een paar concrete vragen: gaat u zich er wél voor inzetten om het aantal dieren die lijden in de megastallen te verminderen? Gaat u zich ervoor inzetten om het vliegverkeer aan te pakken zodat omwonenden van Schiphol eindelijk wat rust hebben? En gaat u de energie-intensieve bedrijven aanpakken en bijvoorbeeld de cokesfabriek van Tata Steel sluiten?

1-0041-0000

Wopke Hoekstra, *Kandidaat-commissaris*. – Hetzelfde antwoord. Ik was er al bang voor, maar volgens mij stond de conclusie ook al op uw briefje. Ik begrijp de politieke meningsverschillen. Toch zou ik hopen dat ik ook u, zelfs u, ervan zou kunnen overtuigen dat de Commissie echt zonder gekheid alles op alles gaat zetten op het gebied van verduurzaming, zeker ook in de luchtvaartindustrie. Ik krijg hopelijk straks nog de kans om bij dat onderwerp met een aantal voorbeelden te komen. Zeker ook op het gebied van landbouw: een enorm belangrijke sector waarbij de uitdaging is om ervoor te zorgen dat we de strategische leverancier die de landbouw sowieso ook is en een duurzaam inkomen voor onze boeren, meer balans in de hele waardeketen en overigens ook veel meer verduurzaming – dat ben ik met u eens – hoe we dat hand in hand kunnen laten gaan. Mijn overtuiging is dat dat kan door ervoor te zorgen dat er een businesscase is

om de juiste dingen te doen op het vlak van bosbouw en landbouw. Wat ik zal doen, is zeker pushen, voor elk van die onderwerpen. Dus ik houd rekening met de mogelijkheid dat ik u vandaag niet weet te overtuigen, maar ik zal alles op alles zetten om deze onderwerpen wel degelijk naar voren te brengen.

1-0042-0000

Anja Arndt (ESN). – Herr Hoekstra! 78 % unserer Luft sind Stickstoff, 21 % Sauerstoff, 1 % sind andere Gase wie Kohlendioxid. Der CO₂-Anteil in der Luft beträgt 0,04 %. Vom jährlichen CO₂-Ausstoß produziert die Natur selbst aber 96 %, und nur 4 % sind weltweit vom Menschen verursacht. 4 % von 0,04 % ergeben 0,0016 % menschengemachtes CO₂ in der Luft weltweit. Die Europäische Union verursacht davon 7 %. Das sind 0,0001 % CO₂.

Wenn die EU das bis 2050 auf Null reduziert, wird das keinerlei Einfluss haben. Trotzdem werden Bürger, Landwirte und Unternehmen mit hohen CO₂-Steuern, Strafzahlungen und Verordnungen bis zum Zusammenbruch belastet. Für nichts! Sind Sie bereit, sich mit diesen Fakten ernsthaft auseinanderzusetzen und mit uns, mit der ESN, in einen Dialog zu treten?

1-0043-0000

Wopke Hoekstra, Commissioner-designate. – Sorry, I was a bit disrupted by the first row!

The thing is here, and this is a very serious matter, we do need to make sure – and that will be my invite to everyone here and everyone who is watching this debate and everyone I'm talking to – we have no alternative than to listen and talk to the best scientists in the world. And Madam, with all due respect, that would also be my invitation to you.

Make sure that we expose ourselves – and again, to avoid any misunderstanding, I don't mean that in a depreciating manner, but this is so critically important. Science is crystal clear: we are facing a huge challenge. There is no doubt; there should be no doubt in our minds that it is man-made. And of course on the European side – I mentioned the 6 % – we can only do so much. And yet the reality is that climate change is indiscriminate. What happens anywhere in the world will have effect for our continent and our children, our future. That is the reality. So if we don't do anything, we will see more of all the horrors we've seen. And the brutal reality is that Europe is heating up twice as quickly – not 1.5, but towards 3 degrees – as the world average.

So please bear with me. Let's discuss with science what we can do, what is most effective for our people, for our climate, and for our companies.

1-0044-0000

Anja Arndt (ESN). – In Deutschland und in anderen EU-Staaten werden trotzdem die Automobilhersteller mit hohen Strafzahlungen belastet, wenn sie die CO₂-Flottengrenzwerte übertreten. Diese gehen in die Milliarden. E-Autos dagegen sind 2019 ohne jede Vernunft für emissionsfrei erklärt worden, dabei gibt es auch bei ihnen im gesamten Lebenszyklus, bei der Herstellung, beim Betrieb und bei der Entsorgung enorme CO₂-Emissionen. Die Kommission hat versprochen, bis spätestens nächstes Jahr oder im nächsten Jahr auch die Emissionen der E-Autos mit der Lebenszyklus-Methode zu berechnen. Erst damit ist ein echter Vergleich von E-Autos und Verbrenner-Autos möglich.

Meine Fragen an Sie: Werden Sie die Berechnung der Lebenszyklus-Methode spätestens nächstes Jahr vorlegen, und werden Sie die Strafzahlungen für die Automobilhersteller bis dahin aussetzen?

1-0045-0000

Wopke Hoekstra, *Commissioner-designate*. – Let me just reiterate one thing, because otherwise we will have misunderstandings. The discussion about *Strafzahlungen* – fines – for the car industry was the exact same thing in 2020 and 2021. I reiterate, there was only one company that had one fine, which was completely different than the fear and the anxieties beforehand. So I do think it is important to put that into perspective.

As for e-fuels, and I tread carefully here because this is highly debated; this is highly political. What we need to do is focus, first and foremost, on electrification, full stop. Secondly, we have made a commitment – and the President has said it in her political guidelines – to come up with a targeted amendment for for e-fuels. Clearly we, I, will live up to that.

Having said that, I will continue to say that the advancement and innovation of e-fuels is probably much better equipped for other lines of business than for the car industry. I haven't come across many car companies who are actually waiting for this, but we will deliver on what we promised.

1-0046-0000

Borys Budka, *Chair of the ITRE Committee*. – Thank you very much for this first round, and we are, of course, behind schedule. So let's start the second round immediately.

So I give the floor to Christian Ehler from the EPP.

1-0047-0000

Christian Ehler (PPE). – So to go a little bit to the nitty-gritties, dear Wopke, given that the UN IPCC emphasises the essential role of carbon capture, storage and utilisation in achieving global decarbonisation goals and mitigating climate change, how will you ensure that the upcoming CCUS market framework provides a strong foundation for CO₂ transport and storage, as the transport and storage of CO₂ are critical for decarbonised and hard-to-abate sectors, especially given the dependence on those technologies to meet emission-reduction goals.

How will you avoid the investment disincentives seen in the gas and hydrogen package proposals from the European Commission that we had to correct in Parliament? Specifically, what is your approach to funding and financing CO₂ infrastructure, network planning and ownership, and ensuring adequate storage sites in line with the Net-Zero Industry Act targets?

1-0048-0000

Wopke Hoekstra, *Commissioner-designate*. – Thank you very much, Mr Ehler, dear Christian, and may I also salute the work you did on NZIA and think there, by the way, are many, many parallels here. This is indeed of critical importance. And I've always said, we cannot CCS ourselves out of the problem. The vast majority of the things we need to do is about driving down emissions. Having said that, for particularly the heavy industry about which you, and by the way also I, care so much, it is critically important that we come up with a CCS, CCUS and all the the various items in this domain. There is simply no other way around it.

The impact is potentially huge. If you look at, for example, what they're trying to pull off in Gotland in Sweden, that has the potential, with these techniques, to make sure that you drive down the emissions of Sweden, I think some 7 % of the whole country. So it is potentially huge. What we need to do is make sure we bring more money to the table. That will be one and that will be the Innovation Fund. And by the way, the Innovation Fund is already very active, specifically in this domain.

The next thing we need to do, and that is just very practical, we need to make sure that the place where we put stuff in the earth and the place where actually the stuff is being produced are being interconnected, and that will take more push, more leadership, more intensive talks, if that is the diplomatic way to phrase it, with a number of our Member States, because sometimes this is cross-country. And I think this is something where we're truly there is a role for me, for us as a Commission, but I would truly hope that Parliament can push for this as well, because this is part of the solution, dear friends, waiting there for us, but we're not capturing enough of it and we should be going forward for the sake of our heavy industry.

1-0049-0000

Dan Nica (S&D). – Domnule comisar desemnat, aş vrea să vă întreb dacă vă angajați că în primele 100 de zile veți veni cu un plan concret pentru o industrie europeană a oțelului curată – un plan concret care să prevadă, pe de o parte, surse clare de finanțare, fonduri europene existente, cu indicații clare pentru Banca Europeană de Investiții, astfel încât să putem să avem și investiții private pentru acest tip de proiecte, pentru că vorbim de proiecte între 600 de milioane și un miliard de euro. Acesta este minimul necesar.

În al doilea rând, veți lua măsuri pentru ca pentru aceste importuri din țări din afara Uniunii Europene, care au invadat piața Uniunii Europene, să putem să luăm acele măsuri astfel încât să avem acea competitivitate pe care ne-o dorim? Este imposibil ca, pe de o parte, să aibă piața europeană a oțelului oțel produs în Uniunea Europeană, cu taxele pe bioxid de carbon și celelalte taxe, iar pe de altă parte, o creștere a importurilor din țările din afara Uniunii Europene, care au depășit mult 15 milioane de tone în ultima perioadă. Care este planul dumneavoastră concret, domnule comisar desemnat?

1-0050-0000

Wopke Hoekstra, Commissioner-designate. – Thank you, and indeed absolutely pivotal. Again, let's make sure that green steel has a bright future in Europe. We will need much more of it. We will need much more steel – much more green steel – going forward, and the worst thing we can do is create another dependency on China or on others in this domain. No, we need these things here for security of supply reasons, but also for our jobs.

The good news is that, I think we've made a lot of progress in the domain of innovation to know how to actually do this. Now we're at the point where we need to make sure it gets financially attractive. The Innovation Fund, by the way, really helps here. A lot of the money from the Innovation Fund is actually going exactly into into this sector. I was already mentioning that, also, if you look at how we are allocating free allowances for all the good reasons they go in particular to this sector. But the work with that is not over. It needs to become more attractive. That is precisely why this is also part of the Clean Industrial Deal.

I feel it is my responsibility, together with Teresa Ribeira and Stéphane Séjourné, to make sure that there are recipes, modules and ways to make sure we unlock more private sector financing. Whether that is with co-financing or some form of blended financing, whether that is with guarantees or any way you would want to structure it, let's make sure we have a conversation with those companies who would be willing to invest, who would be willing to step in to advance this green transition and advance this this competitiveness. What type of recipes would be most effective? Then let's make sure we put a combination of European money and Member States' money on the table, because it's worth it.

1-0051-0000

Fernando Navarrete Rojas (PPE). – Señor comisario, quiero empezar agradeciéndole sus amables palabras sobre la dramática situación que estamos viviendo en España. Teniendo en cuenta las recientes riadas en España y en otras partes de Europa, ¿qué medidas concretas piensa adoptar para incluir las inversiones en infraestructura hidráulica y en limpieza de los cauces fluviales en el futuro plan europeo de adaptación al cambio climático?

Pasando a sus competencias en materia fiscal, que la Unión Europea haya sido pionera en la aplicación efectiva de acuerdos fiscales globales —como el Pilar Dos— ha tenido como efecto colateral indeseado un aumento muy importante en las cargas de reporte para empresas europeas.

Adicionalmente, la Directiva contra la elusión fiscal ha quedado redundante y BEFIT ha fallado en estar plenamente alineada con el acuerdo del Pilar Dos. ¿Qué medidas concretas pretende adoptar para reducir las duplicidades del marco fiscal de la Unión Europea y simplificar la legislación mediante el llamado *decluttering*?

1-0052-0000

Wopke Hoekstra, Commissioner-designate. – Sorry, I'm very clumsy. I keep losing my pen.

On that first question, I think I've given part of the answer. But let me reiterate also the personal conversation we had on what is happening in a region close to your heart, it's truly absolutely devastating. And so, in summary, as I just said to some of your colleagues, sir, it's adaptation. If we needed any reminder of the importance, it is there now, so let's deliver on it again.

Again, I'm very much open to legislation if that is the quickest way forward, but let's make sure it is not a paper reality. It would need to include money from Member States and from Europe. It would need to include making sure this is mainstreamed in the next MFF. It needs to include that there is clarity about where the risk ownership lies, and that is not a way of pushing someone in a difficult corner. It is being clear about what responsibility is at a local level, at a regional level, at a national level and at the European level and how we can help. It is about making sure we have best practice sharing and data information, because we truly need to move from adaptation to disaster preparedness. I think that is at the heart of it.

Then very briefly – and hopefully we'll get more questions on this tremendously important domain – you mentioned as well: tax. Decluttering is of the essence. That doesn't mean lowering the bar, I'm saying to everyone, it doesn't mean doing less. But it does mean simplifying. I will come up with a holistic effort towards 2026. And I do feel that Pillar 1, Pillar 2, but also files like FASTER and BEFIT, could actually be a huge step in this direction and I would like to explore with you and with all Members of Parliament how we further advance this already in the next year, but certainly once this larger review is there.

1-0053-0000

Jana Nagyová (PřE). – Pane nominovaný kandidáte, aktivity předešlé Komise a předešlého Parlamentu dostaly Evropu do současné situace, kde každým dnem ztrácíme trhy, snižujeme konkurenceschopnost, zvyšujeme svoji závislost, například na Číně. Na to nepotřebujeme žádné složité analýzy, žádnou Dragiho zprávu, stačí vyjít z bruselské bubliny. *Green Deal* je výborná myšlenka, ale ne způsobem a časem, který jste navrhli, a musí se na ní podílet celý svět. Otázka je: Jak chcete přinutit Spojené státy, Čínu, Indii, ale i další velké znečišťovatele se chovat podle evropských představ, když současná situace je pro ně, a zejména pro jejich firmy, extrémně výhodná? A nástroje, které Evropa má, v současné době prokazatelně nefungují.

1-0054-0000

Wopke Hoekstra, *Commissioner-designate*. – I might have misunderstood you, or the translation, but I didn't hear the question. But my guess is you would want to know what we're going to do about it?

1-0055-0000

Jana Nagyová (PFE). – Yes – how do you want to force third countries to behave according to your visions, your directives?

1-0056-0000

Wopke Hoekstra, *Commissioner-designate*. – Well, I think it is an excellent question because it is very, very difficult. I hope I get an opportunity to say a bit more later on about the level playing field, but also about what elements – without being able to completely prejudge that – the clean industrial deal will have, because that will advance our competitiveness here and bring fairness to our companies.

I'm all for competition, just to be clear. I'm all for competition. In the end, it is to the benefit of our citizens. But it needs to be fair competition. Unfortunately, we have seen in too many domains that this was off. So it is very good, and some others in the outgoing Commission are to be credited for that. We put a stick in the sand and said 'no more', we're going to change that. That is one very important part.

The second part is, of course, a lot more about climate diplomacy. I'm the first to admit that there's never a straight line in diplomacy. It is talking to those with whom you agree and trying to build coalitions with our friends in the Global South, but also with many of the partners that we have across the globe. But it is also talking to those with whom we do not yet agree and who might have a different perspective, either because they are still in the process of developing or they're very dependent on fossil fuels.

It's a combination of alignment – maybe you should say of seduction – but also pressure, to make sure that others play along as well.

1-0057-0000

Roberts Zile (ECR). – Commissioner-designate, I have a question on tax policy philosophy. It's not a surprise that high-tax countries dislike tax competition. However, the experience of VAT – and it's a pretty harmonised tax at European level – shows that tax harmonisation in Europe leads to higher taxes. Generally, harmonised taxes mean it's a minimum of this taxation and it's not so often when it's a maximum determined.

So, do you believe that tax harmonisation will ultimately harm the low-tax Member States and their ability to compete? And if not, why not? How do you look more generally on tax competition between EU Member States? And where do you see the limits of this tax harmonisation?

1-0058-0000

Wopke Hoekstra, *Commissioner-designate*. – Just to be clear, I think there's a lot to be done in the domain of tax in general, clearly on the international dimension, clearly in the domain of greening, clearly in the domain of everything that is linked to simplification and a tax cap. And there's a whole long file of tax proposals waiting for me – many of them, by the way, stuck in the Council.

I know it is difficult. I know many of these things are with Member States. But just to be clear, and I hope many of the people here who worked with me, I'm not known for being very laissez-faire. So, I truly want to push these files forward.

What I would hope I can convince to Member States is that there is more to be gained to work together on all of these files and that something like tax competition within the European Union is actually going to drive the level down, but it typically doesn't work from preventing companies to leave the European Union if they want. And it erodes the base of many of our countries. So, I would not like them to further pursue that route.

I think in terms of harmonisation – but again, that is something they would need to agree with – in terms of data sharing, in terms of simplification, there's a whole world to be won. For tax authorities, because their life becomes easier; for finance ministers, because it gets them more money; and don't forget, for all our companies, large and small – large companies particularly targeted by HOT, larger companies by BEFIT, but also by ViDA and by many of the things we still have in store – it would be a huge leap forward. Maybe we need to make some adjustments. Maybe we need to be practical and pragmatic on some of these files, but let's try to push them forward.

1-0059-0000

Gerben-Jan Gerbrandy (Renew). – Goedemorgen meneer Hoekstra. Ik heb twee vragen, en de eerste is eigenlijk een ja/nee-vraag en die stel ik omdat u mede door anti-Europese partijen bent voorgedragen. Zult u, zoals het Verdrag ook zegt, zich inzetten voor de *ever closer Union* de komende jaren?

En dan klimaat. Een succesvolle implementatie is cruciaal voor het halen van onze klimaatdoelen. Valencia heeft dat helaas op gruwelijke wijze andermaal aangetoond. Tegelijkertijd weten we dat nu al meerdere lidstaten hun klimaatafspraken niet gaan nakomen, voor 2030 en ook tussentijds. Met de huidige rapportageverplichtingen zult u pas in 2027 in staat zijn daartegen echt juridische stappen te ondernemen. Dat is veel te laat. De urgentie is te groot, en dat zult u met mij eens zijn. Bent u daarom bereid de komende maanden de lidstaten te bezoeken die tekortschieten, om concrete afspraken met ze te maken over de aanscherping van nationale plannen? Dank u.

1-0060-0000

Wopke Hoekstra, Kandidaat-commissaris. – Het is uiteraard niet aan mij om verder een mening te hebben over het Parlement. Maar ik wil toch graag zeggen dat ik verguld ben, het goed vind om u hier terug te zien, met al uw ervaring. Uw eerste vraag is een ja/nee-vraag. We weten allemaal: dat zijn de gevaarlijkste vragen in de politiek die je altijd moet proberen te omzeilen en niet moet proberen te beantwoorden. Maar wat u daarna vroeg, was eigenlijk wat mij betreft relatief oncontroversieel: het staat in het Verdrag. Ik heb daar zelf ook nooit de controverse in gezien, dus vanzelfsprekend kan ik dat stuk onderschrijven. Dat ten aanzien van uw eerste vraag. Ten aanzien van uw tweede vraag over de NECP's: dat is een groot en belangrijk ding en je zou kunnen zeggen dat die NECP's de lijm zijn tussen de verschillende pilaren van ETCS, effort sharing en LULUCF. Het is waar dat in de eerste ronde een aantal lidstaten – vrijwel alle lidstaten – onvoldoende concreetheid in die plannen hadden staan. We kwamen op ongeveer 51 % in plaats van 55 %. Overigens, als je dan ziet wat er vorige week en deze week gerapporteerd is over de dalende trend in de Europese Unie, dan zijn we er nog lang niet, maar dat waren getallen die er opvallend goed uitzagen. Wat ik gedaan heb en dat sluit aan bij uw vragen over de bezoeken: ik ben al begonnen met het bezoeken van een groot aantal lidstaten. DG CLIMA doet enorm goed werk door daarbij te helpen en zelf ook gesprekken te voeren, en die plannen worden nu allemaal verbeterd. Een groot aantal van de landen heeft dat inmiddels gedaan. Ik geloof dat de teller ongeveer op veertien staat en de rest is het aan het doen. Ter geruststelling: in mijn ervaring probeert niet één van die landen zich eronderuit te

wurmen, het lichter te maken. Iedereen probeert te leveren en ik ben dan ook positief dat ons dat dit jaar lukt. Maar ik zal zeker in de auto – u zal zeggen de trein – het vliegtuig of wat dan ook springen om lidstaten in de Unie te bezoeken als dat nodig is.

1-0061-0000

Annalisa Corrado (S&D). – In un solo mese abbiamo parlato delle devastazioni di Boris in Europa centrale e in Italia; dell'alluvione di Bologna, fino ad arrivare alla tragedia di Valencia, mentre altre aree sono assediate da siccità e dai recenti incendi.

Questi straordinari eventi meteorologici con il loro tragico bilancio in termini di vite umane e danni alle cose e alle persone, ci obbligano ancora una volta a guardare in faccia la crisi climatica e ai suoi effetti devastanti. Qualsiasi ritardo o timidezza nell'attuazione di misure di mitigazione e adattamento ha conseguenze spaventose.

Commissario designato, la Sua lettera di incarico e la presentazione odierna confermano che l'Europa non torna indietro sul *Green Deal* e sulle politiche di decarbonizzazione, a partire dall'obiettivo di neutralità climatica al 2050. In questo senso, questa legislatura sarà decisiva per trasformare l'obiettivo in risultato.

Nelle sue risposte scritte sottolinea che la riduzione delle emissioni deve rimanere la priorità dell'UE e sono contenta di aver ascoltato anche ora il suo impegno a fissare al più presto l'obiettivo intermedio incondizionato al 2040, al 90 %.

Può impegnarsi, a far sì, che la Commissione presenti nei primi 100 giorni anche questa proposta? E nel conseguimento di tale obiettivo, come pensa di impostare la contabilizzazione del contributo degli assorbimenti permanenti di carbonio attraverso, da una parte, suolo e afforestamento e, dall'altra, processi industriali?

È fondamentale garantire scenari complessivi realistici e verificabili, basati su solide metodologie scientifiche che non rischino di indebolire gli obiettivi di riduzione diretta delle emissioni come potrebbe accadere con un uso non limitato di CCS.

1-0062-0000

Wopke Hoekstra, Commissioner-designate. – Let me start with the last bit, because I think that is new to the debate. I already said to Mr Ehler that I think there is a huge opportunity to be had in the domain of CCS, and it is a necessity for heavy industry.

But you're absolutely right. Our soil and our forests have a hugely important role to play here as well. They are the natural sink that we have in front of us. I'm citing a number that I think was recently in *The Economist*: if you compare what planting trees is per tonne CO₂ in terms of negative emissions, and you compare it to many of the technologies, it is sometimes a factor of 10 to 100 that trees are currently – because there is a cost curve, of course, in technology that goes down – are currently more effective. So I'm fully with you that this should be part of the solution.

To your first question, how are we going to do it and what is going to happen in the first 100 days? Let me reiterate that, in the first 100 days, we will come up with the clean industrial deal.

Part of that, in my view, should be that this goes hand in hand with the 90 % target. Then thereafter, frankly speaking, the real work actually starts, because that is only, let's say, the direction of travel for the new Commission this is the road we want to go. But then a targeted change in legislation for 90 % should happen thereafter. All the hard work on the five, six, seven – maybe even more –

modules and elements of the clean industrial deal that need to be developed, need to be co-developed – I hope with Parliament, and I've already had great conversations with many of you on these elements, and clearly also what we need to do in the domain of energy and climate will then need to be specified, because we don't get to 2035 or to 2040 without any action.

We need to make that concrete and we need to make our expectations concrete.

1-0063-0000

Ingeborg Ter Laak (PPE). – Klimaatverandering is niet langer een verre dreiging. Het is hier en creëert chaos. We zagen het recent bij de verwoestende overstromingen in Valencia, de dodelijke orkaan in Florida en de allesvernietigende branden in Portugal.

Het Emissions Gap Report van de VN is duidelijk, ondanks alle inspanningen van de EU. Het is ons gelukt om in 2023 de emissies te verlagen, maar bijna alle andere G20-landen hebben hun uitstoot juist verhoogd en dreigen de doelstelling van het Parijs-akkoord niet te halen. Landen als China en India hebben een hogere uitstoot dan de EU.

Uw leiderschap tijdens de COP28 is noemenswaardig, maar is ook nog niet af. Welke concrete stappen gaat u nemen om de internationale klimaatdiplomatie te intensiveren in aanloop naar de COP29 en in aanloop naar de COP30? En hoe zult u andere landen ertoe bewegen om meer te doen en een gelijk speelveld te creëren voor de Europese industrieën?

1-0064-0000

Wopke Hoekstra, Kandidaat-commissaris. – Dank voor u voor uw hartelijke woorden. Inderdaad, er is een heleboel werk te doen. Waarom benoem ik vaak de 6 % en de 94 %? Niet om te doen alsof de 6 % niet relevant is. Ik ben ervan overtuigd dat Europa meer moet doen op de 6 % en dat er ook leiderschap gevraagd wordt van ons, niet alleen op de 6 %, maar ook op de 94 %.

Zoals ik eerder al aangaf: klimaatverandering discrimineert niet. Het maakt niet uit waar CO₂ de lucht in komt. Uiteindelijk is dat een probleem voor de hele wereld, maar zeker ook voor Europa, als je ziet wat ons allemaal al aan rampspoed is overkomen en wat er helaas nog te gebeuren staat.

Er is dus meer nodig. Een heel belangrijk element – dat is denk ik ook het begin van het antwoord op uw vraag – zijn uiteraard de reguliere klimaatvergaderingen, de COP's. Die zijn altijd de hoogmis van de klimaatdiplomatie. Het is niet makkelijk. Iedereen die denkt dat het de komende keer eenvoudig wordt, die wil ik graag van die illusie beroven, want het is wild ingewikkeld. Tegelijkertijd is er geen ander format dat we tot onze beschikking hebben. Dat is één. De komende keer, maar zeker ook tijdens de COP in Brazilië, zullen we echt keihard aan de bak moeten.

Twee: de crux is hier om coalities te bouwen. Dank voor uw aardige woorden, maar het succes heeft vele vaders en moeders. Dat was zeker ook zo op de vorige COP. Wat was de crux van ons succes? Waarom was de vorige COP een overwinning van de diplomatie? Nou, omdat:

1. wij als Europeanen heel goed hebben samengewerkt – een groot compliment, niet alleen naar dit Parlement, dat in grote getale vertegenwoordigd was, maar ook naar de ministers uit de lidstaten; en.

2. omdat wij in staat zijn geweest om de groep landen met hoge ambities, los van al hun andere verschillen, te verenigen.

Ik heb eerder wel eens gezegd: “*We kissed this coalition alive.*” Zo was dat in ieder geval daar op de COP. Het wordt heel moeilijk om dat opnieuw te doen, maar het zal toch moeten. Dus veel van de inspanningen, ook bilateraal naar al die landen, zijn wat mij betreft daar wel echt op gericht.

1-0065-0000

Kira Marie Peter-Hansen (Verts/ALE). – Commissioner-designate, while we value very much your commitment to push for global climate solutions on many fronts, such as aviation and maritime, we believe simultaneously that EU action is also necessary. Considering that you will be in charge of both climate and taxation, I have the following questions.

I would like to ask you if you could commit to introducing a frequent-flying levy in the EU and, if not, how else will you make sure that we make progress in the field of aviation taxation?

Will you allow that VAT will also be applied to aviation?

Will you bring forward concrete legislative proposals on how EU VAT rules could incentivise the green transition and circular economy business models?

I believe these are also ‘yes’ and ‘no’ questions.

1-0066-0000

Wopke Hoekstra, Commissioner-designate. – I’m afraid, Mr Gerbrandy, you gave many the wrong idea of how questions should be formulated. It’s very dangerous! By the way, sorry for not seeing you right away – my kids will use this debate to remind me again that I need glasses!

I think there are a couple of elements in aviation that are important to mention – what we are already doing, but I also feel we could and should be forward-leaning in the direction of travel that you suggested.

One is, of course, domestic aviation is already part of the ETS. Secondly, we all know that if the ICAO doesn’t deliver in the next couple of years, that will also be true for international aviation. I think it is important that we see more traction, because aviation is, frankly speaking, one of the very few domains where the trend is in the wrong direction, not in the right one. Third, long term, very difficult, but, as you know, I have embarked at the last COP on an effort to make sure we do more globally, because that would tackle emissions globally and that would have the advantage of creating fairness to the system.

To your questions, I would love to embark on it and look into it, because I see that there is merit, given the patchwork of legislation individual Member States have embarked on, to look into whether we can form a coalition of the willing, if that is the word.

I think there are there are a couple of prerequisites. One is that this is the domain of Member States. So they would need to agree. I can pull them, I cannot push them. Secondly, I am worried about the level playing field here. If you see also the domain of aviation, what is happening and what are our own carriers face, as critical as I sometimes am to them in driving down – or doing not enough in driving down – emissions, I do think they have a point in terms of a level playing field, that we that we need to look into. Third, I would like to embark on a conversation with you and others in Parliament as to what is the most effective way to structure it. Some experts might say that actually a levy for kerosene is more effective than just a pricing tool. I think that is something we, in the end, will be able to agree on.

1-0067-0000

Wouter Beke (PPE). – Commissioner-designate Hoekstra, thank you for your clear answers so far. I have a question, and my question focuses on the processes and the procedures you will follow to develop the Clean Industrial Deal and the post-2030 climate framework.

Could you outline how you plan to involve stakeholders and conduct in-depth impacts assessments, particularly regarding the competitiveness of our companies, including SMEs, for example, in an institutional setting like with the Sevilla process? How will you ensure to balance the climate goals with industrial growth and enhanced prosperity?

Furthermore, how will you ensure that your services consistently incorporate an industrial policy perspective so that both the Clean Industrial Deal and the post-2030 climate framework aligns closely with the EU's broader industrial framework and remains responsive to the needs of our companies?

1-0068-0000

Wopke Hoekstra, Commissioner-designate. – Thank you very much – tremendously important, but let's also be frank, when we're talking about simplification and making sure we bring these worlds together it's also one of the – as the Americans I think say – big hairy problems that we're facing.

What I want to reiterate is, and I've said it many times before, is that when we're talking about simplification we are never talking about lowering the bar. We are talking about making sure that companies can indeed thrive and that we do things that are easier.

One of the things that I would like to embark on – I started already speaking about this in the last couple of months – is making sure that we come up with a joint effort of companies and our own DGs alike. What is the type of dialogue we should have? What are the type of prerequisites that are important for industries? I already mentioned the example of the car industry, where we, in my view, should do something similar to the strategic dialogues that we have had in other sectors.

Secondly, if you think about the domain of simplification, there's actually something interesting at hand. We as politicians, and also our great civil servants, quite often do know exactly what it is that companies need to fill in, do know exactly where the bar is, but do not always appreciate what exact paperwork is coming with that and how to make it simpler. The reverse is also true. Companies have the paperwork, but don't always have the complete overview. Why not make sure that there is much more of a clear line in the whole decluttering, in the whole effort of simplification, also making sure we do that with new legislation to come. So not only looking backwards and working on the 25 % and the 35 % – for SMEs, I think you're spot on, as this is not only for large companies, it is just as important, maybe even more important, for our great SMEs – and make sure we do that for legislation that is going to come.

I hope that is an answer to your two questions in one.

1-0069-0000

Manon Aubry (The Left). – Monsieur Hoekstra, j'ai une question assez simple pour commencer: est-ce que vous confieriez la régulation des OGM à l'entreprise Monsanto? J'imagine que non, en tout cas je l'espère.

Mais alors expliquez-nous comment on pourrait vous confier la charge de la fiscalité et de la lutte contre l'évasion fiscale alors que vous avez été pris la main dans le sac d'un scandale d'évasion fiscale,

les Pandora Papers, avec une société-écran aux îles Vierges britanniques? Et je suis d'ailleurs assez surprise d'être la seule à en parler.

En plus de cela, vous avez le portefeuille du climat alors que vous avez travaillé pour l'entreprise pétrolière Shell et pour l'entreprise de consulting McKinsey. J'ai un peu le sentiment qu'on a là la quintessence du conflit d'intérêts. D'ailleurs, vous vous étiez engagé, en octobre 2023, dans vos réponses aux questions écrites – je les ai ici – lors de votre dernière nomination de commissaire, à donner la liste de vos clients de McKinsey, ce que vous n'avez pas fait. Je sais que les promesses n'engagent que ceux qui y croient, mais doit-on penser que cette fois-ci aussi, vos réponses écrites ne vaudront que du vent?

Et enfin, Monsieur Hoekstra, allez-vous, à la fin de votre mandat de commissaire, retourner travailler pour une entreprise comme Shell ou une entreprise comme McKinsey avec une société-écran dans les paradis fiscaux?

1-0070-0000

Wopke Hoekstra, *Commissioner-designate*. – Thank you, Ms Manon. Clearly we still need to get to know each other better! There are many things that maybe I could give an answer to, but let me pick out two things, because I think it is important – and you have every right to scrutinise me and what I say and what I did before.

One is, and I did answer that question that was phrased by, I think, Madam Toussaint, who asked it last time, and also Emma Wiesner, and there was a written reply to this question in November of last year that was publicly sent to this Parliament. That is one.

Secondly, thank you also for bringing up this question about the Panama Papers, because it gives me an opportunity to clarify where clearly there was no wrong-doing whatsoever on my end.

What was the case? We're talking about 2006. In 2006, a friend of mine embarked on an ecotourism start-up in the south of Africa. He needed funding, and I was one of the people who provided that funding. It was about an amount of between EUR 25 000 and EUR 30 000. What that company then did, which was typical at the time – and 70 % of all companies and institutions, also like the world Bank, always used the same route – was to do that via the Virgin Islands. We now think differently about it, but that was done for safety and security reasons. Again, World Bank money, European money, was spent in the exact same way.

So that was not my investment, that was the company's investment at that specific time. This has always been part of my tax declaration. It has been scrutinised before I became Finance Minister in the Netherlands, when I had to liquidate all assets I had. I never got any dividend out of it, and the money that was made in terms of increase of share price I gave to a charity for kids cancer research before I became the Finance Minister.

That is the story. This has been cleared with the Prime Minister before I became the Minister. It has been cleared with the Dutch Parliament, and I think there clearly was no wrong-doing whatsoever. So I'm happy to set that record straight.

1-0071-0000

Tsvetelina Penkova (S&D). – Dear Commissioner-designate, I will try to be very specific in my questions. So, starting with what we actually should expect from the so-called 'clean industry' of the EU. Do we expect a set of revisions and new regulations or directives or is this going to be one single

piece of legislation that would try to address the permitting issues and the lack of financial support for our industry?

And I'm asking that specifically on the financial support: is it going to be done by EU instruments or by State aid? The question is coming from the experience we had last year with NZIA and STEP because it was not very clear how those instruments and how those policies would be financed. We were quite worried that State aid is not the right way to go, because it is basically not beneficial for the smaller Member States, because they won't be able to attract new manufacturing or create new jobs.

So, in that sense, I would really urge you to try to mobilise everything that has not been used under the RF funding to secure equal opportunities for all Member States to be participating in this clean and green industrialisation of Europe.

1-0072-0000

Wopke Hoekstra, *Commissioner-designate*. – Great, I have the opportunity to say a couple of things. I already talked a bit about the process and how we want to stay educated. So maybe let me not repeat that. But also given the conversation you and I had and knowing your knack for content, let me mention a couple of things that I think should be included in any case in the Clean Industrial Deal, and then also say something about State aid and how we make this fair.

Of course, Teresa and Stéphane and I only had one or two conversations on the exact deal, and there's a lot of work that still needs to be done. But if you were to ask me now, I think a couple of elements certainly should be in there. One is clearly simplification and making permitting easier. One is the whole domain of capital and how we unlock more private sector and public sector capital. It should be about skills and making sure that people actually can work in these industries, it should be about clean tech, it should be about heavy industry. We talked a lot about it, and steel is specifically mentioned. It should be about energy affordability. And of course, all of this is, if you will, both an economic strategy as well as an ecology strategy because it is about decarbonisation.

How are we then going to square the circle? And I admit that it is difficult to make sure whatever we do has maximum impact in terms of climate and the economy in a positive way, and make sure it is fair for Member States, because I think we do need national money, but also European money for it. And the recipe should be something like the combination we currently have.

The Innovation Fund is very much merit based and works very well and, by the way, is now being used all across the Union. But if you look at many of the other instruments that the Modernisation Fund – which is huge – but also the Just Transition Fund, the Social Climate Fund, they are much more skewed to make it also fair in our European design. So we should go both for impact and for fairness. And I think if we design it well, with your help, we can deliver on that.

1-0073-0000

Barbara Bonte (PFE). – Mijn vraag is een heel eenvoudige, maar tegelijk een heel complexe. De alarmbellen luiden van alle kanten. Onze industrie dreigt te verdwijnen door een overvloed aan bureaucratie en allerhande maatregelen. Zelfs Mario Draghi erkent dat in zijn rapport. De EU reguleert, de rest van de wereld innoveert en het is een boutade die nu meer dan ooit van toepassing is. Met de verkiezing van Donald Trump in de Verenigde Staten gaat men daar alles op alles zetten om de Amerikaanse industrie nog meer te versterken, om de meest competitieve industrie ter wereld te blijven. Maar wat doen wij? Altijd maar nieuwe regeltjes invoeren. Altijd maar nieuwe, absurde groene verplichtingen. De Europese Unie pest onze industrie gewoon weg. Wij worden een

economisch kerkhof. Dus mijn vraag aan u is: wat denkt u persoonlijk over de staat van onze industrie? En gaat u inzetten op deregulering?

1-0074-0000

Wopke Hoekstra, *Kandidaat-commissaris*. – Ik moet beginnen met te zeggen dat ik echt – diplomatiek geformuleerd – iets optimistischer ben dan u, want ik denk dat een heleboel dingen wel degelijk buitengewoon goed werken in Europa. En dat je, als je de vergelijking maakt tussen onze economische structuur en die van de Verenigde Staten – en ik ben een bewonderaar van de innovatie in Amerika – ziet dat we het op heel veel niveaus, ook qua productiviteit eigenlijk, even goed of zelfs beter doen. Er zijn twee belangrijke uitzonderingen, en daar is er echt werk aan de winkel.

De eerste is het hele domein van de kapitaalmarktenuïe. De liquiditeit, het gemak waarmee geld vloeit in Amerika, maakt het veel makkelijker voor bedrijven om te investeren. En daar ligt gewoon werk. Niet zozeer in de dialoog tussen Parlement en Commissie, maar wel met veel van de lidstaten. Laten we er alsjeblieft voor zorgen dat die kapitaalmarktenuïe er komt.

Het tweede domein – en daar heeft u helaas gelijk in: als je specifiek kijkt naar het domein van innovatie en van technologie, is daar echt een groot verschil met Amerika. Ongelukkigerwijs is dat precies een domein waar heel veel additionele groei te halen valt, dus daar zal Europa veel meer aan moeten doen. We hebben overigens een heleboel uitstekende start-ups, maar vooral als je kijkt naar bedrijven in de categorie *unicorns* – dat zijn bedrijven vanaf ongeveer 1 miljard EUR – dan zie je vaak dat ze in Europa te weinig doorgroeien. Dus daar is werk aan de winkel.

Een laatste ding. Ik heb net al gezegd dat ik zeer geporteerd ben van de opdracht van Draghi om te zorgen voor simplificatie. Dat is essentieel. Ik denk dat daarmee een heleboel te winnen valt. Ik denk dat we dat niet moeten verwarren met: “Laten we nou een heleboel regels het raam uit kieperen en de standaarden verlagen”. Ik ben ervan overtuigd dat als we het samen doen met de industrie, we ervoor kunnen zorgen dat we de lat kunnen houden waar hij is, maar dat we het leven, qua invullen van papier en qua naleven van regulering, wel veel eenvoudiger kunnen maken. Dat is niet makkelijk. Dat vraagt een langjarige dialoog, maar is wel wat we kunnen doen, per industrie.

Dus ik hoop dat dat een antwoord is op uw vraag.

1-0075-0000

Michele Picaro (ECR). – Signor Commissario designato, i biocarburanti rappresentano una soluzione cruciale per la transizione verso una mobilità più sostenibile, in quanto riducono le emissioni di CO₂ e l'impatto ambientale, contribuendo alla lotta contro il cambiamento climatico.

L'industria automobilistica si evolve verso i veicoli compatibili con miscele di biocarburanti e combustibili tradizionali, mentre nuove tecnologie sviluppano biocarburanti avanzati per ridurre l'impatto ambientale senza competere con la produzione alimentare.

È essenziale considerare il ciclo di vita delle emissioni e l'uso responsabile delle risorse, evitando la deforestazione e il consumo eccessivo di terreni agricoli, che potrebbero generare squilibri economici e sociali. Solo con una gestione sostenibile e regolamentata, i biocarburanti possono contribuire in modo significativo a un futuro più ecologico per il pianeta.

Pertanto, Commissario designato, la domanda è la seguente: data l'importanza crescente dei biocarburanti nel ridurre l'impatto ambientale nel settore *automotive*, quali misure ed iniziative intende adottare per garantire che la produzione e l'uso di biocarburanti siano sostenibili?

1-0076-0000

Wopke Hoekstra, *Commissioner-designate*. – Thank you very much, sir. And I know this is really important for your country and has been a conversation for a very long time. So, thank you also for the opportunity to say a couple of things about it, even though some of it might be slightly repetitive.

I hope you will forgive me, but what I cannot do, because this was a process that took a long way to reach consensus, is to break open what we have agreed on in the domains of cars. And we did it for all the right reasons, because we're making important steps with our 2035 targets, with electrification, also with a lot of attention for the great companies we have in Europe in setting this course.

I already talked about predictability, and I already talked about the targeted amendments that we need specifically in the domain of issues. And I know that doesn't solve the question that leaves in Italy in terms of biofuels. I think the reality is in Parliament also therefore decided on this, that this cannot be part of the mix. Why? Because it is excessively hard to actually make it completely carbon free. Having said that, my view has always been that there is a bright future for biofuels, particularly if you look at the various generations. And I think particularly in the third generation of biofuels, there's a lot of new stuff in there, maybe not in the domain of cars, but there are way more opportunities.

And if you think about, for example, the airline industry, they're scrambling to get more sustainable, they probably need more European incentives and helping them with innovating and making money out of this will be good for the economy, will be good for the companies you are specifically advocating for. And it will be very good for climate.

So I hope that at least addresses your concern to some extent.

1-0077-0000

Anouk Van Brug (Renew). – Terwijl we inzetten op groene groei en innovatie, zien we dat vervuilende brandstoffen momenteel vaak nog zijn vrijgesteld van belasting. U gaf kort al aan dat er een plan komt om verduurzaming te regelen via belastingen.

Mijn eerste vraag aan u is: Welke belastingmaatregelen wilt u nemen om groene groei en innovatie verder te stimuleren? En mijn tweede vraag gaat over de wereldwijde minimumbelasting. Een mooi idee, maar de Verenigde Staten doen momenteel nog niet mee en ik zou graag willen weten wat u gaat doen om president Trump ervan te overtuigen om toch mee te doen.

1-0078-0000

Wopke Hoekstra, *Kandidaat-commissaris*. – Dit zijn natuurlijk twee enorme onderwerpen op Europese, maar ook op mondiale schaal. Laat ik met het laatste beginnen. Vergeef me, maar ik ben daar optimistisch over, ook over het werk dat er al verzet is. Ik kan het me nog goed herinneren: ik was als minister van Financiën in Venetië bij de top van de G20. Enorme credits naar de Italiaanse regering van destijds. Die heeft toen geregeld dat we eindelijk die stap hebben gezet op de tweede pijler. Overigens, wat betreft die minimumbelasting – en dat is iets wat we ons niet altijd realiseren – is het de vorige regering-Trump die daar een eerste stap in heeft gezet. Geeft me dat enige garantie op succes? Vanzelfsprekend niet, maar het is wel degelijk iets waarvan ik denk dat we daarover verder de dialoog aan moeten gaan. Mijn overtuiging is dat velen, ook in de Verenigde Staten, het belang hiervan zullen inzien. Wat betreft belastingmaatregelen en subsidies voor fossiele brandstoffen: dat is een enorm groot onderwerp en voor alle duidelijkheid: belastingen – voor zover niet al anders geregeld – blijven het domein van de lidstaten. Maar ik zie op het gebied van fossiele

brandstoffen een enorme gretigheid, ook in de lidstaten. Interessant genoeg zie je het in het rapport van Draghi, maar je ziet ook dat veel van de ministers van Financiën hier eigenlijk wel oren naar hebben. Waarom? Omdat ze eigenlijk intellectueel de cascade, de hiërarchie die Draghi aangeeft onderschrijven waarbij je verschillende typen energie anders zou moeten belasten. Wie misschien onverwachte bondgenoten zijn op dit vlak, zijn de ministers van Financiën. Want geld dat ze hier niet aan uitgeven, kunnen ze uitgeven aan andere dingen. Dus ik zal ervoor zorgen dat we bij het volgende MFK alles op alles zetten om het kleine beetje dat we echt op de Europese begroting hebben staan, dat we dat aanpakken. Daarnaast wil ik vol op het orgel, wil ik vol aan de bak om ervoor te zorgen dat we lidstaten overtuigen om meer te doen op het gebied van fossiele brandstoffen, subsidies en afschaffing in de verschillende lidstaten.

1-0079-0000

Μιχάλης Χατζηπαντέλα (PPE). – Η Ευρώπη έχει να διαδραματίσει πρωταγωνιστικό ρόλο στην προστασία του κλίματος παγκοσμίως. Για να πετύχουμε τους φιλόδοξους στόχους μας πρέπει να συνδυάσουμε την κλιματική πολιτική με τις οικονομικές και κοινωνικές μας ανάγκες. Πολλοί τομείς με υψηλή ενεργειακή κατανάλωση υποφέρουν από το αυξημένο ενεργειακό κόστος, γεγονός που τους καθιστά ευάλωτους στο επίπεδο των ενεργειακών φόρων. Παρά την ανάγκη για μεταρρυθμίσεις και την ολοκλήρωση των άλλων φακέλων του πακέτου Fit for 55, τα κράτη μέλη δεν έχουν ακόμα εκσυγχρονίσει το πλαίσιο φορολογίας ενέργειας, ώστε να ευθυγραμμιστεί με την κλιματική και ενεργειακή πολιτική της Ευρωπαϊκής Ένωσης. Λυπούμαστε για το αδιέξοδο στο Συμβούλιο σχετικά με την αναθεώρηση της οδηγίας για τη φορολογία της ενέργειας.

Αναφορικά με την οδηγία για τη φορολογία της ενέργειας, ποιες προτάσεις θα υποβάλατε για την επίτευξη ισορροπίας ανάμεσα στους κλιματικούς στόχους και τις οικονομικές πραγματικότητες, καθώς και τις ανάγκες συνδεσιμότητας, ιδιαίτερα για τα γεωγραφικά απομονωμένα κράτη μέλη, όπως η χώρα μου, η Κύπρος, που θα βρουν στήριξη στο Συμβούλιο; Ποιες ενεργειακές φορολογικές προτάσεις από την έκθεση Draghi για το μέλλον της ανταγωνιστικότητας της Ευρώπης σκοπεύετε να προωθήσετε;

1-0080-0000

Wopke Hoekstra, Commissioner-designate. – Indeed tremendously important and very much built on the conversation I was just having, or the question I was just trying to answer. Maybe to that last point, what is the logic that is a part of the directive you mentioned, but also part of what Draghi is saying, it is this cascade, it is this hierarchy. It's the last bit of the Green Deal that is this directive.

I would hope we can clear this and we can convince Member States that this is a good thing to embark on. But even if we would not have immediate success, this will be an angle I will pursue. I truly feel that this is the way forward with all the difficulties in the various Member States, but you do need to tax renewables in a different way than coal, and you will need to have a hierarchy. So I think that is one, and clearly understand... Thank you also for making that point.

There are differences, maybe also in the speed that we need to take into account in Member States. One of our Member States is almost fully electric. We have Member States which are heavy on nuclear and have a completely different energy mix. We also have others still very much dependent on coal, which have a different trajectory ahead of them. I think we do need to take that into account. At the same time, we do need to make much more progress.

I think there's one thing that will link the different portfolios: a lot of the money that we have available is precisely for this reason. Innovation Fund – EUR 40 billion precisely made for this whole transition. Modernisation Fund – EUR 56 billion. Social Climate Fund – what is it, EUR 87 billion? Most of it European money. I'm not even talking about the 30% linked to the RRF and all the money

that is in the MFF, which are part of our financial toolkit. It is huge. We just need to make sure it is geared towards the right things.

1-0081-0000

Bruno Gonçalves (S&D). – Dear Commissioner-designate Hoekstra, given the billions of euros lost to tax schemes which the European Commission itself admits in its annual tax report, I hope that you will treat tax policy seriously and not as a footnote.

Are you going to fix the Commissioner job title to clarify your responsibilities on taxation? Will you or not assume the role of the EU representative at the G20 level for tax matters? Are you willing to explore the limits of the Treaties, such as Article 116, to combat harmful tax practices?

Last but not least, given the growing protectionism in the United States, as proven by Trump's victory in these elections, which could compromise international negotiations for fair digital taxes, as mentioned before – and I know your opinion that this could be not significantly worse for Europe – are you ready to move forward with a solution to tax large technology companies on European soil if these negotiations fail? Yes or no?

1-0082-0000

Wopke Hoekstra, Commissioner-designate. – Thank you, sir. And huge questions that actually merit half an hour each. But I'll not do that to the Chair.

First and foremost, I am truly delighted to have tax in my portfolio. It is something I have ample experience with as a former finance minister. I already articulated how important I think it is, and I think there is a great opportunity to do more on it and also to bridge it, to marry it with the domain of climate. So, absolutely.

Secondly, I would have loved to have it in my job title. But the reality is I already have the longest job title I ever had, so that might be part of the reason why the President didn't include it. But if you were to amend it, I would gladly use that title in full.

The G20. Absolutely. However, there's one thing I want to say. We are always there for the European Union. Other Commissioners will also have a seat. I'm not going to try to wiggle someone out of the chair just to be there for the sake of being there. What I think is important, and therefore I would love to be there, is to make sure we push the tax topic at a G20 and at a G7 level, and I'll make sure that happens. And I would be delighted to be there.

Then on Article 116, I'm going to talk ever more quickly because otherwise I cannot finish all your questions. I think there's a bit of a paradox. Again, I'm not going to be *laissez-faire*. I'm going to push as much as I can in each of the domains of tax. But the paradox in 116 is that it asks for a distortion first, and in the end it asks for consultation of Member States. So even if you take that route, you again need to convince Member States. So I think that is probably the best thing to do in any case.

Last but not least, engage with the US. Absolutely. But I'm also of the school, like you, that we do need to have something for these companies. It cannot be that we're not going to tax these companies because we cannot come to a global agreement. But the preference is to do it globally. If that is not possible, then I will have to convene with the European finance ministers and find the second-best solution, and I will.

1-0083-0000

Massimiliano Salini (PPE). – Signor Commissario designato, la ringrazio per le parole che ha detto, sollecitato da diversi colleghi, anche sulla sull'industria pesante.

Io conosco la sua concretezza: Lei sa bene che non sono tutte rose e fiori sull'ETS. Abbiamo sentito parole di zucchero stamattina sull'ETS ma un certo lavoro sull'industria pesante va fatto, perché l'industria europea, oltre a pagare l'energia molto più di quanto si paga fuori dall'Europa, ha ridotto gli investimenti sulla ricerca e l'innovazione perché deve pagare anche le quote di carbonio.

Allora, ci sono altri temi che non dovranno essere trattati da Lei, che non tratto qui: il rottame ferroso, ad esempio, per l'industria siderurgica da forno elettrico. Ma sul tema dell'industria pesante e sul bilanciamento tra quote di carbonio da pagare e costo dell'energia, noi abbiamo la responsabilità di fare un lavoro. Perché se l'industria pesante in Europa è in crisi è anche per questo motivo e abbiamo l'onestà di ammetterlo.

1-0084-0000

Wopke Hoekstra, Commissioner-designate. – Thank you, that's truly great because it's indeed one of the major things in the domain of ETS and CBAM, and let me salute the many in this Parliament, and Mr Chahim in particular – I think he left the room – for the great work that was done on CBAM, because I think it is extremely important to have it.

By the way, it was not a trade measure. I stress that every time. It is to prevent carbon leakage. We were treading very carefully, very diligently, taking long hours. The good news is that it already has a huge anticipation effect all over the world. If you now look at and you compare with 2020, you will see that we see a doubling globally in the number of carbon markets.

Many questions have been raised about CBAM. Many worries have been answered. But the good news is that other countries and companies are moving in the right direction. I therefore think that we should also not equate CBAM with, let's say, trade measures, but I am fully on your side to be ferocious about a level playing field and to make sure that our imports are not being hurt.

So one of the things I would want to say concretely in this domain and in this conversation, is that we have this review in, I think, 2027. Let's front-load that. Let's make sure we do that in 2025, just to make sure that these companies, particularly in the steel industry – I already said a lot about it – can actually thrive and are not hurt in an unfair way because of malicious trade practices. I think that is of pivotal importance.

At the same time, for reasons of carbon leakage, we do need to continue with CBAM. The path that we have set there actually, I think, is a very diligent and a very well-thought through way of creating this future.

1-0085-0000

Fabio De Masi (NI). – Mr Hoekstra, 20 years ago, major tax fraud by banks, so-called 'dividend stripping' and cum-ex and cum-cum deals were exposed for the very first time, both in the Netherlands and in Germany.

The former Dutch Minister of Finance, Mr Gerrit Zalm, and his State Secretary responsible for the Financial Intelligence Unit of the Netherlands, the FIOD, Mr Joop Wijn, were alleged to have blocked those investigations. They both later joined the executive branches of banks directly implicated in these fraudulent tax schemes. And to my knowledge, they have both been investigated for several years now for aggravated money laundering, which includes cum-ex and cum-cum.

What did you do, as Minister of Finance of the Netherlands, to restart those investigations that have been blocked by Mr Zalm in 2006 and would you be in favour of taxing share buy-backs, which would be a measure to fight these fraudulent tax schemes?

1-0086-0000

Wopke Hoekstra, *Commissioner-designate*. – Thank you. I do feel at liberty to remind you then, that Mr Zalm was in office in 1994, and I was 18 at the time, so I don't have a full recollection of everything he did in office and maybe what he should have done.

Let me let me mention two things. One is, I think for all the right reasons, you know, we are hammering down on these types of practices. And I know cum-cum and cum-ex have been huge conversations, particularly I think, in Germany and in Denmark, but to a lesser extent also in the Netherlands, and in many cases, actually, justice and courts got involved, but also the part that is maybe not wrong from a legal perspective, but has a clear moral dimension to it, I think is truly worth investigating, and it's truly something that at least I am completely not OK with.

Now that you're talking about the Netherlands, maybe I could also take the opportunity – because I think this is linked to the domain of how the Netherlands has been treating taxes more generally, where we often get a lot of questions. What I've tried to do when I was finance minister – and by the way, a lot of the credit goes to my state secretary at the time – is getting rid of a lot of the practices that were frowned upon at the time. So what we have done is dramatically decrease the opportunities for letterbox companies. We have introduced a tax for royalties. We've actually increased the tax base for large companies and as well as the percentage. Don't take my word for it, but look at what the Commission at the time said. The Commission gave us a country-specific recommendation, a CSR for this, in, from the top of my head, 2019 and 2020, and before I left office in 2021, they did remove the CSR because they felt this was being dealt with. I think that is in the same domain of worries that you were alluding to, sir, so I hope it gives you an impression of the way I approach these type of topics.

1-0087-0000

Ondřej Knotek (P/E). – Welcome, Mr Commissioner. A frequent answer from the EU businesses when it comes to the competitiveness is the EU ETS I. The EU carbon allowance is open to speculators, price is not predictable, and from the perspective of energy-intensive industries in some parts of Europe it is suicidally expensive: today EUR 64, which is EUR 24 more than, let's say, a reasonable competitive threshold.

So can you please commit to help making the EU ETS accessible only to relevant EU stakeholders and its price predictable, and for a period till 2030 let's say 'corridorred' between EUR 30 to EUR 40? Many thanks, and please, a clear answer: no fairytales.

1-0088-0000

Wopke Hoekstra, *Commissioner-designate*. – Thank you for giving me the opportunity to clarify this, and again, I truly think – and I can compliment the system because I never designed it – that if I look at the policy tools I came across in national or in European politics, ETS in many ways is not perfect, but in many ways is one of the most effective things we have done. And by the way, many businesses – particularly, of course, those who are more than average performers – actually ask for the predictability and ask for the clarity and ask for keeping it the way it is.

By the way, I think we – but it's actually you and previous Commissioners – have been very sensible in building slack, building flexibility into the system by introducing free allowances, by introducing measures that could kick in if something truly dramatic happens to the price.

But now that you mentioned the price, let's walk the clock back one year. One year ago, I was asking CLIMA – when I was preparing for this exact same hearing – what the price was. I think at the time it was 82 point something. Now it is down to 65, and I don't think it is something that we should treat as outrageously high. I think it is in line with where we should be. That is precisely the way it works. I see you're shaking your head, but I'm still going to continue!

If 82 was acceptable a year ago, what is the reason why the price fell? Well, one of the reasons is that we made huge progress, particularly in the domain of renewables. And again, all sorts of safety measures have been built into the system, and particularly for heavy industry, like steel, which gets the vast majority of free allowances, gets a huge part of innovation fund money. I think we are doing our utmost and I've used this debate to articulate what it is, particularly in the domain of steel, that we can and should do more. So I hope that is at least a bit of a confidence-builder towards you as well.

1-0089-0000

Evelyn Regner (S&D). – Commissioner-designate, on the capital gains tax, tax on labour in the European Union averages almost 35 %; tax on capital averages 20 %. So we have a huge fairness gap, since capital assets usually are concentrated among the affluent ones.

So will you go for a proposal to harmonise capital gains tax in the European Union, with an excellent report of the European Parliament on Pandora papers, with a lot of good stuff and analysis in it. So will you go for that?

Second, on the Unshell Directive, you mentioned as one of your important goals the fight against tax fraud, tax evasion. We know there is a lot stuck in the Council. So what exactly, precisely do you plan on further legislation?

1-0090-0000

Wopke Hoekstra, *Commissioner-designate.* – Thank you. Indeed, part of the reality is that, if you look at a number of the files on taxation, and I was talking to the truly great staff in TAXUD on what the status is of many of these files, I get the answer 'okay, this is difficult', 'this one is stuck in Council', 'this one is close to impossible', 'this one is stuck in Council'.

So there is a lot of work that has to be done – of course, fully respecting the fact that, as I said before, I can pull, I cannot push. I truly think, and you know the details much better than I do, that unshell is the type of topic Europe actually needs. This is indeed geared towards fairness as well. It is geared towards transparency. I think we need to push this forward. So what I'll do here very concretely is to engage not only with Parliament, but also with the Finance Ministers, on what it will take to actually be able to unlock this, because I think it will be to the benefit of all.

Then, on your first question, which in my view actually is on the broader debate about wealth, I think you're spot on. If you look at Europe, but particularly if you look at the rest of the world, there is an issue with inequality in terms of how wealth is accumulated. Just to give you a number – I couldn't resist looking it up – 3 000 people in the world have 14 trillion in terms of euros, or dollars, whatever. Whatever the number is, that's roughly 4 billion per billionaire. That is, I would say, an outrageous number, and making sure we tax it in a fair way I think is imperative.

I think this is easier – and that’s why I’m mentioning it – easier in the G20, under leadership of the European Finance Ministers, who have already embarked on it, than the capital gains angle, because there I fear we add another topic that will be very difficult with Member States.

So if you would allow me, and I would love to do that in close dialogue with you as well, I would love to broaden the solution space to wealth and fairness in general, and then go for the pockets that have most traction and most chances of success.

1-0091-0000

Adam Jarubas (PPE). – Commissioner-designate, thank you for your answers so far. In your introduction, you said that you will push for simplification that will lead to a reduction of administrative burden. I thank you for this commitment. The Commission so far claims success in implementing the ‘one in, one out’ principle, which maintains the status quo. However, in order to effectively reduce administrative burden for business, which to a large extent is a regulatory burden, would you agree that more regulation and regulatory obligations should go out than new ones come in?

The EPP has been calling for applying a ‘one in, two out’ principle. Would you commit to ensure a significant reduction of regulatory burden for business stemming from EU legislation, either by applying this principle or by any other alternative measures which would effectively and measurably lead to a reduction?

1-0092-0000

Wopke Hoekstra, Commissioner-designate. – As I’ve said before, we’re at a pivotal and important point for our companies, large and small. On the one hand, you could argue that our companies – and I experienced that as a finance and a foreign minister as well – always complain that taxes are too high and that regulation is overburdening them. Here, actually, I do feel that they have a point.

By the way, before I get to your question, this also merits a dialogue with Member States, because I know first-hand from six years of experience in the Parliament, I know best, that national politics typically adds rather than decreases the loads and the reporting etc. So, we can do a lot at European level, but much more also needs to be done at a Member State level.

I’m open to almost any rule or percentage, like ‘one in, one out’, I think we’ve said, ‘Let’s do 25 % to even more for SMEs’. But in the end, the litmus test for this is: does it work in practice for our companies? Because if the one we take out is then replaced by something that is more difficult to adhere to, then we’re not helping them. In the end, the only test for success is whether companies are actually saying, ‘This made it easier.’

And that is why I was so adamant in saying to some of your colleagues that we need to do this together with business. Again, not to lower the bar, but to understand. And I recently had a great conversation with one of Europe’s largest retailers and he brought one of his SME suppliers and they were walking me through all the stuff they need to do together. Frankly speaking, it is quite complex. And those were the best of people. They fully understand that we have a certain bar that we want to meet. But they’re also explaining to me how, deep down in the value chain, this has all sorts of reporting obligations.

So, making it as good as it is now in terms of the bar, but simpler in the execution I think is essential.

1-0093-0000

Lena Schilling (Verts/ALE). – Dear Commissioner-designate, we all know our dependence on oil and gas destroys our planet, finances Putin’s war in Ukraine and also makes us dependent on dictators. We have to realise yesterday would have been the first best moment to phase out fossil fuels, and tomorrow is the second best.

The commission has the legal means to do this but has lacked the determination, so far. For example, the 8th Environment Action Programme requires the Commission to set a deadline for the fossil fuel phaseout subsidies, and also in international fora the EU has committed to a phase out by 2025.

So let me ask again, very precisely, because it has been postponed too much: Do you commit here and now to setting a binding deadline so that, by the end of your mandate, we will have a phaseout of all fossil-fuel subsidies, both for the EU and also the national budgets?

Do you commit to proposing measures, such as new State aid rules, that enable timely phaseout?

And third, do you commit to proposing legislation that restricts the construction of new infrastructure for exploration, extraction, transport and storage of fossil fuels?

1-0094-0000

Wopke Hoekstra, Commissioner-designate. – Thank you for bringing the geopolitical dimension to it, because I think it is absolutely correct and is something at least I didn’t speak enough about so far.

Indeed, we did learn the hard way in 2022, when Putin had just started his horrible war in Ukraine, that we had made ourselves way too dependent on a dictator – a dictator who was then trying to blackmail us with oil and gas. I think we did an amazing job: maybe contrary, sometimes, to our own beliefs in not only helping out Ukrainian in full, which continues to be of pivotal importance, but also making sure we got rid of Russian gas and oil asap, and, I think against the odds. So first let’s make sure we never, ever run into these type of dependencies again.

Secondly, in the domain of climate, and I hope you get a bit of confidence on what I said previously in the hearing, I will do my utmost to make sure we tackle every aspect of fossil fuel subsidies given that this is a huge amount and it distorts the overall picture for climate, but also for businesses. What I can do directly – and there I can give you a concrete promise – is everything that is linked to the European budget, the MFF. This is of course subject to what the colleagues think about it as well, but there I have the direct power to push for my opinion.

Where I will need to pull, and where I’ll do my utmost to create transparency, to share best practices, to make sure I engage in a constructive but also in a very intense way with finance ministers, is state budgets. I would love to be able to influence them right here and right now, but I cannot. I have to respect that that is up to finance ministers and Member States, but we can do more. I will do more to do our utmost to make sure we phase these out asap.

1-0095-0000

Beata Szydło (ECR). – Chciałam zapytać Pana o koszty transformacji. Dwie kwestie. W swoich odpowiedziach podkreślił Pan, że pakt dla czystego przemysłu przede wszystkim ma wzmocnić konkurencyjność. I to jest bardzo dobra informacja, ponieważ póki co na wprowadzanych zmianach gospodarka europejska tę konkurencyjność traci.

Ale mam pytanie: jak będzie finansowany ten pakt? Czy będzie to kolejne zadłużanie się Unii Europejskiej, czy też być może, tak jak proponuje to Mario Draghi, będzie to współfinansowane czy finansowane przez państwa członkowskie.

I kolejna kwestia – ETS2. On uderza najbardziej w tych, którzy są w trudnej sytuacji materialnej. Czy w związku z tym przewiduje Pan, że jeżeli Społeczny Fundusz Klimatyczny nie będzie tutaj wystarczający, wprowadzanie i wdrażanie tych zmian zostanie wstrzymane?

1-0096-0000

Wopke Hoekstra, *Commissioner-designate*. – I think it is an absolutely justified worry, not only in your Member State, but frankly speaking, in all 27 Member States where we have vulnerable people, vulnerable regions to care for and to watch out for. That is absolutely essential.

And yes, you know, if you add up all the amounts again of the RRF, of the MFF, of the Just Transition Fund, of the Modernisation Fund, of the Social Climate Fund, you're talking about huge money. I've said it before, if you compare this to, for example, the Americans, we can easily stand the test. for what we do in terms of a number for climate but also for fairness. But let's also agree on the following: this is a strategy we've laid out, this is the approach we're taking.

If something goes wrong along the way, if we tend to forget about some groups of our citizens, then we have an obligation to do more. So I would not be of the school to then, you know, decrease the impact of ETS2 or postpone it. Of course, there's one specific clause about ETS2, a one-year postponement for energy prices. But for the rest, let's embark on it. It gives stability and we do it for all the right reasons. But if more of our people need help, I mean, I cannot, you know, open a pocket here with additional money, but I would absolutely fight for making sure that we continue to help out these people.

My current assessment is that with this money, and spending the money of Member States wisely, we have more than enough to care for our people in reschooling, reskilling, helping them out in very practical terms. But if it is not enough, and then we have an obligation to do more again, together with Member States.

1-0097-0000

Brigitte van den Berg (Renew). – Ik wil even bij u terugkomen op de omgang met lidstaten die niet aan de klimaatdoelen gaan voldoen. Want u stelt dat iedereen volop aan de slag is en dat er geen lidstaat is die bewust niet voldoet. Maar dat is me echt wat te makkelijk. We zien bijvoorbeeld Estland die ETS 2 bij voorbaat afwijst. We zien bijvoorbeeld Duitsland, waar de coalitie valt op verzet tegen groene investeringen. En we zien natuurlijk Nederland, waar alle financiering en alle plannen voor het vergroenen van de landbouw zijn geschraapt en waar we nog maar 5 % kans maken om aan de klimaatdoelen te gaan voldoen. U zegt: ja, ik ga langs bij de lidstaten om ervoor te zorgen dat ze hun vijfjarenplan heel netjes gaan opstellen. Maar u kunt ook bij deze landen jaarlijks aandringen op herstelplannen. Mijn vraag aan u in alle scherpste is: bent u bereid om dat te doen? En bent u ook bereid om het commentaar van de Europese Commissie daarbij openbaar te maken?

1-0098-0000

Wopke Hoekstra, *Kandidaat-commissaris*. – Naar dat laatste zou ik moeten kijken, want dat daarvan weet ik niet wat de afspraken zijn. Ik kan niet door afspraken heen fietsen die al gemaakt zijn, maar ik ben zeker bereid om ernaar te kijken. Ik zei al tegen uw collega: ik wil niet beginnen met het langsgaan bij lidstaten. Ik heb dat het afgelopen jaar heel bewust gedaan. Niet alleen ikzelf, maar

ook mijn team bij de Commissie. Ook echt uitstekende mensen van DG CLIMA die alle details kennen van de lidstaten.

We gaan door met die gecoördineerde inspanningen. Als ik de progressie zie tussen de eerste versie van de nationale energie- en klimaatplannen en de tweede, ben ik optimistisch dat we dat gat kunnen sluiten. Maar het is waar dat als dat niet gebeurt, er reden is om in te grijpen. Dat is ook precies de reden dat we inbreukprocedures hebben. Dat is iets wat ik liever wil voorkomen, want het klimaat heeft er niet zoveel aan dat we straks allemaal landen met een inbreukprocedure hebben en geen impact op de grond. Uiteindelijk is het onze opdracht ervoor te zorgen dat we emissies écht reduceren in plaats van elkaar in de greep te houden in een papieren werkelijkheid. Maar als u van mij wilt horen of ik ook bereid ben om het stevige deel van het gesprek hierover met de lidstaten te voeren, om over te gaan tot inbreukprocedures en om maatregelen te nemen: absoluut.

Ik ga nog één ding toevoegen aan het antwoord dat ik u nu geef en wat ik hiervoor ook gezegd heb: wat we soms vergeten is dat die nationale energie- en klimaatplannen ook een investeringsdimensie hebben. Het is mijn overtuiging dat het voor lidstaten in de toekomst dus steeds meer een scharnierpunt zal worden om toegang te hebben tot Europese fondsen. Ik weet één ding zeker: op het moment dat dat zo is, dan is dat een buitengewoon goede trigger om te zorgen voor meer actie.

1-0099-0000

Ewa Zajączkowska-Hernik (ESN). – Przez 11 lat pracował Pan w McKinsey & Company, największej i najstarszej firmie oferującej profesjonalne usługi konsultingowe korporacjom i rządowi, głównie w sprawach finansowych. Ma to szczególne znaczenie, ponieważ będzie Pan odpowiadać za politykę podatkową, która *de facto* należy do państw członkowskich. To stwarza ryzyko poważnego konfliktu interesów.

W jaki sposób może Pan zapewnić, że nie będzie Pan lobbystą międzynarodowych korporacji i rządów państw trzecich działającym w ich interesie? Czy nadal utrzymuje Pan kontakty z poprzednimi klientami i kolegami z pracy? Jak zagwarantuje Pan, że gdy skontaktują się z Panem któregoś dnia pańscy koledzy, by załatwić jakąś sprawę, kiedy zostanie Pan komisarzem, nie będzie Pan ich lobbystą? Bo tak dziwnie się składa, że będzie Pan zajmował się akurat unijnymi podatkami. A muszę przyznać, że to śmierdzi pokusą lobbingsową na kilometr.

1-0100-0000

Wopke Hoekstra, Commissioner-designate. – Thank you, madam, for mentioning it, but I hope I can reassure you here a bit. I left McKinsey; I started as a finance minister on – I believe, from the top of my head – 16 October 2017. For all the things I might have done differently or better, I think many people would recognise that I did that with a significant degree of autonomy and of independence as a finance minister, as a foreign minister, and also as a commissioner.

Secondly, I will always adhere – like every commissioner should and every politician in this village should – to the highest ethical standards in general. But secondly, also to all that is asked in terms of transparency. And I will continue to do so. I know, and I think it's for all the right reasons, that when commissioners don't do so, they will get the full scrutiny of not only this esteemed Parliament, but also the press. And so it should be.

1-0101-0000

Lynn Boylan (The Left). – I'm going to follow up just on the issue of lobbying and lobbyists. Next week is the latest round of COP negotiations. And at last year's COP, the Commission included five fossil-fuel lobbyists representing ENI, BP, Hydrogen Europe and ExxonMobil in the EU's delegation.

Now, when MEPs wrote to you questioning this, you replied that they were invited to speak at events. But, however, neither the Exxon nor the ENI representatives, nor anyone senior to them were listed as speaking at any of the events during COP28.

So we know for a fact it's undisputed that these companies have delayed and actively sabotaged climate action for decades. And yet the EU is giving them full access to the global climate negotiations.

So I have two questions for you, Commissioner-designate. One is a yes/no question, your favourite type: Will you commit to excluding all fossil fuel lobbyists and organisations from the EU delegation at COP29? So that is a straightforward question.

And the second one is, what have you done and what are you doing to ensure that there is a solid accountability framework at the UNFCCC, similar to the WHO protocol on tobacco lobbying?

1-0102-0000

Wopke Hoekstra, *Commissioner-designate*. – Just to be clear on that last one, if there's more that the European Union can do, and you're much more familiar with the exact regulations in this domain compared to, for example, the health domain than I am, then I would love to push it.

And let me also state – and to many of you, this will not be a surprise – that I am highly critical of what oil companies have done in the past and what they are currently doing. And then we're also talking about for a very long time hiding a lot of the evidence that apparently was there, at least at the desk of Exxon, but it could well be the case that it was the exact same thing for other oil companies. So, they have a huge responsibility to solve their part of the problem. Full stop. And that is what I demand of them.

Now secondly, on the badges – and I'm glad you ask, because otherwise this this will continue to be a misunderstanding – neither I nor anyone in my staff at the COP, and I'm sure it has been the same at previous COPs, has been in contact with any of these lobbyists. There's not even time for it, nor is there any desire. I think actually they're also in completely different parts of what they call the green zone and the blue zone.

What is the case is that last time the European Union organised, I think, 100 side events. And at these side events, I think there were a couple of people who got what they call an 'overflow badge'. And then indeed, in full transparency, you have read that on the internet and they have been in one of those meeting rooms. That was not with the Commission. That was not with DG CLIMA. This was in one of these side events.

That is the explanation that I got. I think that is a good explanation. I also don't think there's anything that we need to change in that type of agreement. And I have been adamant about my role, my responsibility and how I think about them. That is the reality.

1-0103-0000

Borys Budka, *Chair of the ITRE Committee*. – Thank you very much for the second round, and I will give the floor now to the Chair of ECON to start the third round.

1-0104-0000

Aurore Lalucq, *Chair of the ECON Committee*. – We now start the third round of questions.

1-0105-0000

Johan Danielsson, *Vice-Chair of the EMPL Committee*. – Commissioner-designate, as the EMPL Committee was not fully satisfied with your written answers, could you please elaborate further and with clearer and concrete commitments on the following:

Firstly, what are your plans to create an inclusive energy transition and the necessary synergies between the Clean Industrial Deal, the quality jobs roadmap and the pact for skills, so that workers are provided with the relevant IT and upskilling measures for quality employment?

Secondly, could you elaborate on what specific financial support you are referring to in your written answers for social partner projects to ensure workers' information and consultation rights in the context of the green transition?

1-0106-0000

Wopke Hoekstra, *Commissioner-designate*. – Thank you, sir, and I hope many of elements that I've mentioned in this debate are at least giving you more comfort about, you know, clearly, the money we put on the table, the EUR 87 billion for the Social Climate Fund, but also my guarantee that we will continue to do whatever is needed to make sure we help people. By the way, this is truly something that I envision to do together with Commissioner Mînzatu, who has, you know, the primary responsibility. I'm not saying that to get rid of any part of the responsibility myself, but I do think and I do believe in co-creation here. And this will be full and frontal in her focus.

Secondly, I gave a long list of elements, I think, that should be part of the clean industry deal in any case, but for a very specific reason, I also mentioned skills – because we often tend to focus on, let's say, many of the highbrow things and the clean tech and heavy industry, and that is for all the right reasons. But in the end, we will need more skilled people in all of these areas. Just think about what is going to happen in batteries, or think about what is going to happen in terms of enhancing our grids. We do not have the speed of permitting that we need, but we also simply do not yet have the people. So we need to have much more focus on skills. And I commit to you to make sure I fix this together with Commissioner Mînzatu.

Now, one specific thing and then I'm drifting away very far from my own portfolio, so it's dangerous. You're luring me into that direction. But that is indeed, you know, what is the amount of money that is available for these specific groups? I had to look it up because that is more her portfolio than mine. But I think there is a number of roughly 30 million that is available specifically for that category, but that is hidden somewhere deep down in her part of the house. So if you would now ask me to clarify where and what it is exactly, I would have to pass.

1-0107-0000

Elissavet Vozemberg-Vrionidi, *Chair of the TRAN Committee*. – Mr Hoekstra, in your role leading international climate negotiations, how will you balance the EU's status as a climate leader while ensuring a level playing field for European transport industries and prevention of carbon leakage?

You already touched on this issue in your written answers, but let me ask you more concretely: if the ICAO does not sufficiently deliver on Corsia, and if the IMO does not adopt by 2028 a global ETS for maritime, how will you balance presenting unilateral measures as required under EU legislation while maintaining competitiveness and preventing carbon leakage?

How will the preceding impact assessment be taking into account the potential consequences for European transport industries?

1-0108-0000

Wopke Hoekstra, *Commissioner-designate*. – Thank you. Indeed, truly at the nexus of the endeavour we face, and I already mentioned a lot of the things I would love us to accomplish at a global level, which is indeed a combination of doing more ourselves, but also incentivising others to do more, having others embark on carbon markets is, I think, one of the most important things.

Secondly, there is a whole new era that should dawn upon us in the domain of industry and competitiveness, and that is what the Draghi report is all about, and the clean industrial deal should be at the very heart of it. But you're also – and I think rightly so – asking for aviation and maritime. I know that is a sector close to your heart, close to your country's heart, and it is pivotally important for the European Union.

We need to be absolutely ferocious about creating a level playing field. By the way, that is also the reason that we will have another report about how the maritime sector is doing by the end of this year, and I would gladly share that with Parliament, just to see whether there are any distortions that we did not anticipate.

Now, you could argue that, given all that is happening, unfortunately in the Middle East, this is an atypical year. But still, it is good news that so far the signs are that we are on track and we don't run into the type of unfair competition problems that we were facing. But if we will, I will make sure that we act.

In terms of aviation and ICAO, the jury is out as to whether they will deliver on their climate measures. I'm not convinced yet, to say the least. If they aren't – and this Parliament and the previous Commission have been very clear – then international aviation will be part of the ETS and then we will need to make sure, and that is an absolute condition, I think, for all of us, that this is not going to be just at the expense of European airlines; it should be for airlines from all over the world.

1-0109-0000

Pasquale Tridico, *Chair of the FISC Subcommittee*. – Mr Hoekstra, thank you. On behalf of the fiscal subcommittee on the issue of carbon taxes and inequality. They are concerned about the regressive impact that carbon tax can have on lower-income households and disparities between Member States.

Could you elaborate on the specific tax measures you plan to propose to ensure that carbon taxes are designed in a socially equitable way, without disproportionately burdening low-income households, nor widening disparity between Member States?

1-0110-0000

Wopke Hoekstra, *Commissioner-designate*. – Indeed. And why is this so important? Thank you very much for asking this, because in many domains, but particularly in the domain of ETS 2 and housing, we will be running into this.

I'll just give you one statistic that I always found intimidating. If you look at households, you will find that the richest 20 % of European households are responsible for roughly 30 % of the emissions that households produce in the European Union. And the poorest 20 % do only 10 %. So, there is fairness to be increased, improved, enhanced in that domain as well.

This is precisely where, by the way, the SCF, the Social Climate Fund, kicks in, and the EUR 87 billion that is to a large degree European money, to some degree also, roughly 25 % Member States' money. And I think – but that is a bit linked to what we discussed before – that we

need to make sure that our money, but also Member States' money, is spent in the most impactful way.

By the way, this is also one of the caveats that not only we have made, but also climate ministers have made when I was just in the job. When we were discussing fossil fuel subsidies and getting rid of them, there was huge agreement that we should get rid of them. And we also concluded, I don't have the exact wording with you, but the explicit conclusion was that this should not be at the expense of those most in need and actually have nowhere to go because they are in a small, rented apartment and can concurrently not move and then are just increased with a higher energy bill. It doesn't solve anything, not for them, but also not for climate.

So, this clearly is something that we will and have to take into account. The one warning I have is that this will stay with us for the years to come. And the reason is that it is just operationally complex. And the transition of ETS 2 is something I think we should absolutely embark on, but it is operationally complex, so we need to take care of precisely the group you're mentioning for years to come.

1-0111-0000

Aurore Lalucq, *Chair of the ECON Committee*. – Thank you. We are almost there. Final round of questions and we will start with Marc Jongen for ESN. The rules: one minute for the question, two minutes for the answer.

1-0112-0000

Marc Jongen (ESN). – Herr Hoekstra, wir stellen abschließend fest: Die Klimapolitik der EU ist ein Desaster. Europa droht in eine sehr ernste Wirtschaftskrise zu stürzen, und die ideologisch getriebene grüne Transformation, für die Sie verantwortlich sein werden, beschleunigt diesen Absturz massiv. Ihre Klimaziele mit strikten Emissionsstandards und irrsinniger Bürokratie strangulieren unsere Industrien und vernichten Arbeitsplätze. Statt marktwirtschaftlicher Lösungen, wie sie Präsident Trump in den USA jetzt priorisieren wird, bevorzugen Sie eine subventionierte Planwirtschaft, die Europas Bürger in die Armut treiben wird. Am Weltklima wird das alles nichts ändern. Das ist ein politischer Feldzug gegen den Wohlstand und die Freiheit Europas.

Meine Fragen: Haben Sie die europäischen Einsparungszahlen einmal mit dem CO₂-Ausstoß allein durch indische und chinesische Kohlekraftwerke verglichen? Und zweitens: Haben Sie sich jemals mit den natürlichen Ursachen des Klimawandels beschäftigt? Oder ist das für Sie kein Thema mehr, und es zählt nur noch das, was Frau von der Leyen und andere Brötchengeber vorgeben?

1-0113-0000

Wopke Hoekstra, *Commissioner-designate*. – I think it is fair to conclude that there's room to further have you warm to the topic, given your introductory remarks. Let me just... I cannot answer this question without putting on the table what would happen if we would do nothing. We are sure to see many, many, many more of the disasters we have seen a couple of years ago in Slovenia, we're currently seeing in Spain, we're seeing all over the European Union, unfortunately, all over the globe, in Small Island Developing States, in particular, also in Africa. Literally no one is off the hook. No one has a free out of jail card. This truly is something that hits humanity full force.

I wish it were true that we could postpone the solutions or that we that we just could leave it as it is. It's not true. The reality is that we should have embarked on this much earlier, because then the transition would have been more gradual. We waited too long; we didn't do enough for too long,

and now we need to speed up. We need to speed up within the European Union. We're going to do that in a calibrated, I would say, in a European way, with combining climate policies, with competitiveness and with a fair transition for our people, and we need to do more globally.

The fact that we are only responsible for 6 % of the emissions and that others need to do more is, for me, not a reason to do less ourselves. It is a reason to continue and at the same time make sure that, indeed, the Chinese, the Indians, the Americans and all the others, particularly within the G20, manage to do more as well. That is our task. Is it easy? No, it is dramatically difficult, but the alternative is way, way, way worse.

1-0114-0000

Gaetano Pedulla' (The Left). – Signor Commissario designato, a parte il paradosso di un Commissario al fisco che si trova nei *Pandora Papers*, Lei non ha risposto a una precisa domanda che le è stata posta dall'onorevole Manon Aubry, cioè chi erano i suoi clienti quando lei lavorava in McKinsey? Tra questi pare esserci anche Shell, uno dei più grandi produttori al mondo di idrocarburi. Se non ci dice chi erano i suoi clienti, come pensa di convincerci che non concederà alcun privilegio fiscale alle stesse società?

Ho altre due domande: nelle risposte scritte alle domande delle commissioni, lei ripete più volte che le verifiche agli obiettivi del *Green Deal* sull'*automotive* si svolgeranno, come previsto, nel 2026. Ora, il governo italiano ha anticipato l'intenzione di chiedere di fare queste verifiche nel 2025. Lei che cosa fa? Anticiperà le verifiche sul *Green Deal* del 2026 o respingerà al mittente le richieste del governo italiano?

Un'ultima cosa velocissima: se le pressioni politiche per annullare le date nel 2035-2050 si faranno fortissime, Lei si dimetterà o confermerà le stesse date?

(La Presidente toglie la parola all'oratore)

1-0115-0000

Wopke Hoekstra, Commissioner-designate. – Let me once again reiterate that the highest bar needs to be met by all Commissioners, including by myself, in terms of independence, in terms of autonomy, in terms of being there for the greater good of the European Union and being fully independent from whatever company, but I'm going to add to that from whatever Member State, because we are here to serve Europe as a whole. And I would hope that your experience with me during the last – what is it? – 13, 14 months has been a clear indication how I try to pursue that responsibility.

In terms of cars, I think actually that I have mentioned all the various dimensions to it, how we want to support that industry, how we want to make sure that we also stay the course – and you are shaking your head, but I am going to continue because I'm going to use the full of the two minutes that I have available – and the 2035 target and the 2020 and the 2025 target. But again, we will do that in a way that is helpful.

And by the way, all governments and certainly also my friends and colleagues in the Italian Government, but for all governments, you know, the door is always open when Member States face specific problems that we should try to solve. That is what we're there for. I just said it. We're there for the greater good and we cannot easily deviate, and we shouldn't. We should stick the course. And at the same time, we should also always open to the realities of everyday life in all of the Member States. And I think that is precisely what we do.

1-0116-0000

Rasmus Andresen (Verts/ALE). – With the Republican landslide victory two days ago in the US, I think we are risking that global tax policy will be blocked in the coming years, meaning that it is good to see – and that’s what I understand – that you don’t want to wait for Trump, but that you are ready also to act at the European level.

But I also think that we face some challenges inside the EU as well, with some Member States who are actually blocking progress when it comes to EU tax policy, and you mentioned that, of course, the Member States have the main responsibility there, this is true, but I still think that the stance the Commission takes is really important, also for the coming months and years.

This is why, for example, when it comes to taxing digital companies, I would like to ask you what kind of possibilities you see also when it comes, for example, to avoid the need for anonymity, when it comes to enhanced cooperation, for example.

Just very briefly on the VAT rules for incentivising the green transition, you didn’t answer the question from my colleague Kira-Marie, and I would like to have a reply on this as well.

1-0117-0000

Wopke Hoekstra, Commissioner-designate. – Let me try to answer all the various elements in those two minutes.

On the US, let me just clarify, because where the answer starts, in my view, is that by far the best option we have is to work together with our American friends – in the domain of tax, in the domain of climate, and all the other domains. Because, yes, we might have sometimes things we disagree on with them, but if you zoom out, we would find that not only do we have a common history, we have shared values, but we have a lot of things to pursue in general with the US going forward. I will do my utmost to make sure that continues.

Having said that, the domain of digital tax is of crucial importance. It is by far the best way to pursue this internationally together with the US. But it cannot be the case that nothing is being done because we cannot manage to get the whole world around this. So I’m not going to dwell on the ‘what ifs’, but what I will need to do, and what I will have to do is then convene with the European Finance Ministers and look at the best possible solution. Ideally – I mean, again, I cannot push, but I can pull – we’re not going to arrive at a patchwork. That’s not going to be easy because actually France, but also some other Member States have already moved into this terrain, and I know from experience how difficult it is to change these regulations once you already have them in a country. But then, of course, a European solution would be something that we should absolutely pursue.

On the question of your neighbour, I’m not sure I have a better answer in stock. I already thought it was answered in full, but maybe there is an opportunity to clarify that at some later stage.

1-0118-0000

Marie-Pierre Vedrenne (Renew). – Madame la Présidente, Monsieur le Commissaire désigné, vous détaillez depuis près de trois heures le cap qui est le vôtre, en lien avec votre lettre de mission. Vous semblez savoir très bien naviguer entre des ambitions climatiques exigeantes, socialement justes et fiscalement équitables, et la compétitivité du plan industriel du pacte vert, qui sera centrale pour atteindre ces objectifs, réaliser ces ambitions et tenir ce cap au service des Européens.

Ma question est la suivante: pouvez-vous nous garantir que le travail ne sera pas seulement réglementaire, mais sera aussi accompagné de stratégies d’investissement solides dans la production

nationale de technologies propres qui ne fragmenteront pas notre marché intérieur, mais qui vont bien le renforcer?

1-0119-0000

Wopke Hoekstra, *Commissioner-designate*. – Absolutely, and thank you for mentioning that, because if you think about the tremendous investments that will be needed for the years to come, and we touched extensively on the car industry, but we talked a lot less about the solar industry, which was a huge and very successful business in Europe. But unfortunately, it almost completely died out because of unfair competition. If you think about wind energy and if you think about all these types of industries that are there, but also think about something like what is needed in the domain of circularity. But also classic industry we've touched upon.

Let's make sure that the solution to many of these things is indeed European. Again, I'm all for competition. I will always advocate for competition. Because in the end that is what helps our citizens to get the best possible products for the most attractive price.

But that comes with – and we know this in our social market economy – rules and regulations. And the one thing we have too often forgotten in the last couple of years is that point about the level playing field. We cannot ask – and we cannot continue to ask – more from our own companies that are then facing unfair competition and seeing that their marketplace is being flooded, particularly by cheap products from China, because that is very often the case, that basically wipes out their position.

We can no longer allow that, and we will no longer allow that. And I will be adamant, together with those responsible for it, because of course, this is mostly related to trade, to make sure that that level playing field is there. And ideally we're not going to going to embark on a tit for tat. But it is also clear that the phase of just asking politely is over.

1-0120-0000

Alexandr Vondra (ECR). – So you will bear the responsibility for the international climate negotiations, so I'm just trying to imagine the situation. Next year you will come to COP30 and you know, 'My name is Wopke Hoekstra, I am representing the European Commission, I am optimist, I have a science behind, so please follow ups. We are leading by example.' And then you will be facing Donald Trump withdrawing from the decarbonisation commitment, with the Republican majority in the Congress stopping the global financing, Russia, China with their geopolitical agenda, Saudis paying for the Gaza and the south asking for money from us. So what is your plan? Do you have some plan B for this situation, if the leading by example would not work, beyond raising the taxes, tariffs and the subsidies for Europeans, which would make our life more costly?

1-0121-0000

Wopke Hoekstra, *Commissioner-designate*. – I think where you and I fully see eye to eye is that this is not going to be easy. And it's going to be a range of measures and things we need to do.

I mentioned CBAM for a reason. Is it liked or is it questioned? It clearly was questioned. I got loads of questions at the last COP from journalists alone. And to some degree this is being used as a stick to hit the dog with, as a way to put us in a certain corner. This is unfair. And at the same time you see huge anticipation effect. I think there is more to be had of that in various domains where we take measures and we insist that others will follow. So that is clearly one dimension.

Secondly, there is old-fashioned and new-fashioned diplomacy where we simply need to be much more assertive, need to do much more. And if you look at all the money that we're spending, for

example, in the Global South, I think it is fair. It is not my domain, but I think it is fair to make sure that we have a conversation as Europeans and as a European Commission and together with Parliament, all the money that we're spending. What is the natural *quid pro quo* that we then get in terms of fairness? But also in terms of alignment, in terms of democracy and rule of law, in terms of climate action, in terms of basically building a better planet.

So it will always be a combination of carrots and sticks, unilateral measures. But on one thing I am fully with you, it cannot be the case that it is just Europe pursuing this and the other ones leading backwards. It will require action from them as well. And that has been my message and it will continue to be my message at the COP and in the bilateral conversations.

1-0122-0000

Enikő Győri (PFE). – I have to say that some of your answers concerning taxation started to make me worry, so I would like to ask for a reality check.

In your written answers, you said that Member States shall maintain sovereignty over matters directly affecting their economies. Can we interpret this complicated phrase as a promise that you will respect Member States' competences in taxation, and you will not strive for QMV in this field?

Are you ready to recognise that the *acquis communautaire* permits fair tax competition inside the EU?

On competitiveness, I believe in low taxes. I think these boost competitiveness. But if you want to harmonise, they cannot result. I am against harmonisation. I'm happy with what you said on administrative cooperation and all this, but how can you make sure that if you go on the line you said, that it will not result in tax increases?

Finally, how would you convince a company to make an investment here? We are in OECD 1, and you want OECD 2, and the rest of the world ...

(The President cut off the speaker)

1-0123-0000

Wopke Hoekstra, Commissioner-designate. – I hope that your words were already on your speaking notes before the hearing, because actually, I think I've clarified a couple of times that I don't see an alternative than to respect the Treaty. And I've been deliberate in my formulation also about 116 that, yes, I mean, I don't think it makes sense to be as Commissioner responsible for taxation and not push in all of the four dimensions that I mentioned, and I will do that. I think that is what is required from me.

But given that the Treaty is what it is, I do think we need to do this together with Member States than to have an *Alleingang*, that will crash and burn. And in the domain of the tax cap and making sure companies and rich citizens pay their taxes, in the domain of international taxation, in the domain of innovation and greening our tax files, and in the long list of files that we have open, I am very much looking forward to the conversations easy and difficult with this Parliament, but also with the 27 finance ministers.

Will I succeed on all of them? Well, probably not. Will I push for all of them? Absolutely, because I think it is worthwhile. And I think what I said in this hearing was also in the written questions about respecting the Treaty, respecting sovereignty, should also give you comfort that that anchor is there.

But I hope at the same time you would forgive me for trying to bridge as much ground as is possible in the various domains just to make sure we build a better Europe – by the way, also for companies. There's a lot to be had if you if you look at the domain of FASTER, if you look at the domain of BEFIT, if you look at the domain of HOT, where actually companies are the main beneficiaries.

Just take, for example, BEFIT: it would drive down the compliance cost of our companies up to 66 %. It's a huge number if you are a large company and it is precisely this type of nexus, regardless of the example I just gave, that we should pursue.

1-0124-0000

Mohammed Chahim (S&D). – Laat ik beginnen met een compliment voor de heel heldere woorden als het gaat om het uitfaseren van vrije rechten en het ETS en het belang van CBAM voor een gelijk speelveld. Onze industrie kan zich niet baseren op subsidies voor verouderde technologieën om te blijven bestaan. Onze industrie heeft echt vernieuwing en een businesscase nodig.

Dan een vraag over het doel van 2040 en uw rol wat betreft CCS. U zegt aan de ene kant: om dat doel van 2040 te behalen, is CCS belangrijk. Tegelijkertijd zegt u: “CCS – *We cannot CCS ourselves out of it*”. Dus komt er dan een specifiek doel per type CCS? En hoe ziet u dat voor zich?

Een tweede vraag, een a/b-vraag, niet een ja/nee-vraag, maar een a/b-vraag. Hoe gaan we onze industrie redden? Op dat punt bent u een beetje voorzichtig. Is dat a) door de doelen die we hebben vastgesteld uit te stellen en eigenlijk te negeren wat er in China en de VS gebeurt en daarmee te hopen dat onze concurrentiekracht toch verbetert? Ik heb geen idee hoe. Of b) door aan de vraagzijde iets te doen, bijvoorbeeld batterijen goedkoper te krijgen, in Europa te produceren, *social leasing* te introduceren en bedrijven te motiveren om hun fleet te vergroenen? Dank u wel.

1-0125-0000

Wopke Hoekstra, Kandidaat-commissaris. – Wat betreft die laatste vraag over doelen uitstellen: nee. Laat ik daar kristalhelder over zijn. Die doelen hebben we afgesproken om hele goede redenen. Nu hebben we de opdracht om te zorgen dat onze industrie, op z'n Hollands gezegd, dat ook kan meemaken. En niet alleen dat: ook om te zorgen dat men vooruit kan, dat er een goede toekomst is voor bedrijven, groot en klein, in de hele Europese Unie. Dat is de essentie van de opdracht. Ik zou overigens denken dat dat voor een deel aan de vraagzijde ligt, maar ook aan de aanbodzijde. Dat zal een combinatie van publiek en privaat geld en maatregelen vragen. Dat zou het hart zijn van het recept waar ik voor zou zijn.

Wat betreft CBAM en de doelen per type: ik geloof dat u even de zaal uit was, maar – en dit is absoluut welgemeend – ik zei het Parlement dat ik CBAM sowieso een fantastisch instrument vind. Maar ik wilde ook u complimenteren over het werk dat u daar in het bijzonder op gedaan heeft. Want dit is niet makkelijk. We gaan ongetwijfeld nog dingen bijleren die we moeten veranderen of verder moeten simplificeren. Maar het heeft een enorme impact.

Hoe we dan precies naar 2040 gaan en welke rol CCS gaat spelen, daarover hebben we, denk ik, een langer gesprek met elkaar nodig, ook over hoe we dat op een effectieve manier kunnen doen. Want veel van deze technologieën zijn veelbelovend. Ik gaf al het voorbeeld van Gotland, dat potentieel een enorme impact heeft. Maar ik ben ook iemand die niet alleen dingen doet op basis van beloften, maar ook op basis van feiten. Het moet dus een combinatie zijn van – en ik blijf het herhalen – het volop naar beneden brengen van emissies en ervoor zorgen dat we ook werken aan negatieve emissies, en dat gaat soms op de klassieke manier met bodem en bomen. Voor een deel zullen we

deze nieuwe technologieën in de zware industrie ook absoluut nodig hebben. Het is die hele combinatie die gaat zorgen voor een echt gebalanceerd Europees recept.

1-0126-0000

Markus Ferber (PPE). – Thank you very much, Commissioner-designate. After hearing you now for three hours, I think you can afford even a longer title and text could be included in your title.

But speaking about Europe's economic performance, which is depending on a successful internal market, we see the co-existence of 27 different national tax systems in the EU, and that has led to significant obstacles to cross-border business activities, and especially SMEs suffer from these obstacles. And you mentioned already all the initiatives – HOT, DEBRA and BEFIT – but the Council was not yet ready to make any progress on these. So where do you identify major tax obstacles in the internal market, especially for SMEs? And how do you want to convince the Council, as you've been a Council member before as well? You know how they work. Will you invent new initiatives to overcome these obstacles?

1-0127-0000

Wopke Hoekstra, Commissioner-designate. – Indeed, not easy, but very much necessary, and with particularly these companies in mind, I had a couple of things I wanted to maybe add to the answers I also already gave before. Indeed, I think there's ample reason, ideally in their current form, but otherwise in slightly changed forms, to push forward HOT, which is meant to make doing business easier for SMEs that have the guts to move cross-country, which unfortunately they don't do enough, like BEFIT. And again, for companies in particular, there is a huge win to be had in terms of their compliance costs. And by the way, particularly SMEs face disproportionate compliance costs in general. If we often say, and finance ministers are saying, that they are close to our and their hearts, then let's put our money where our mouth is and let's make life easier for them. I think that is of pivotal importance.

Indeed I know Ecofin and the Eurogroup a bit. I hope that would help in at least navigating the waters. I think what is also going to be very important is to take a fully fledged review of precisely your question. So what I would actually want to suggest is that we take a review of the landscape, bring that also to Parliament, ideally already in in the year after next, so in 2026, to see where the opportunities are.

To be successful, in my view, we always need to have a combination of roughly three things. One is it needs to be intellectually convincing. It needs to be a good idea. Secondly – and that is something where we need to be critical, I think – is what are the transition costs? How easy is it? Is it proportional, what we propose? And then third, the reality is that Member States will only accept whatever measure we come up with if the basic notion of fairness is in place. And I think there is more work to be done that each of these three dimensions are being touched upon. If we have this comprehensive overview with all the political differences that we have in this room, we can push this topic forward.

1-0128-0000

Aurore Lalucq, Chair of the ECON Committee. – Thank you to all the Members for their questions. Thank you to Mr Hoekstra for his answers. I would like also to thank the interpreters and the secretariats, because they are doing an incredible job in this kind of moment – always, but especially in this kind of time.

Before we close, I would like to invite the Commissioner-designate to make a brief statement of no more than five minutes.

1-0129-0000

Wopke Hoekstra, *Commissioner-designate*. – Thank you very much, Chair and Chairs, and thank you very much, ladies and gentlemen, dear and esteemed Members, for sticking around. Thank you for the grilling.

First and foremost, thank you very much for the exceptionally close cooperation I have enjoyed in the last years. If I were to be okayed by all of you, I would very much hope we can continue with that spirit, where we manage to bridge the divide, where we look for solutions, and where we truly take into account what is in the long term interests of our Union and the citizens. That, in the end, should be our ultimate focus, should be our goal. I'm talking about the generations that are already here, but certainly also the generations that are to come and who look at us for what we did, what is actually most necessary.

We touched upon many things, and I've indicated in many of the topics that I am realistic, but also optimistic, that if we put our full force into it, then we can actually make progress – and I believe in it. But I also want to come up with one cautious thing that is very much in my mind: if any one of us thinks that the last five years were difficult and saw a lot of geopolitical turmoil, saw a lot of complications within the Union, but certainly beyond our borders, then bear with me.

My view is that we will be facing an exceptionally complicated world going forward, with all that we see in terms of democracy and the rule of law itself being under threat, with war being back at our soil, but also increased assertiveness of, for example, the Chinese on European soil, but also in other places in the world, and also others, basically questioning, attacking, hitting at the international system we so painfully built after the Second World War.

If you then add up the huge technological disruption and all the ramifications that climate change will have going forward, you actually have a very, very long list of intimidating things that we have to do. Truly, that is also the case in the economy, where – and we talked a lot about this in this conversation, in this debate, as well – Europe has a lot going for it, has a lot of assets, but is also lagging behind in the domain, particularly, of the capital markets union, particularly in the domain of taxes, where we do need to do more, particularly in the domain of innovation, where the future of our continent will be.

The economy will not stay the way it is. It will change – innovation, tech, will be part of it and it will come with disruption. So let's be crystal clear, we are facing a truly pivotal moment in the history of our continent, in the history of our Union, and it is up to us, it is up to 27 Commissioners and up to 720 members of this Parliament and all other policy-makers in the European Union to make sure we navigate and we go forward in a good and in a comprehensive and in a sustainable way.

I'm very much committed to it – and there is the optimist again – and I do believe, I sincerely believe, I am convinced that we can do it, that we can touch upon each and every of these angles, no matter how complicated they are and whether they are far away or at our own soil, if we work together and we look for what we have in common and we put our minds to it.

It will be a great honour to be able to do that together with you.

1-0130-0000

Aurore Lalucq, *Chair of the ECON Committee*. – Thank you, Mr Hoekstra, we have now come to the end of this hearing. I would like to inform you that in line with the obligation to evaluate the

Commissioner-designate without delay, an evaluation meeting is scheduled this afternoon. This meeting will be held in camera.

I would like to thank Mr Hoekstra for his participation in this hearing and for his statements on the substance, as well as his commitment on the extensive area of responsibility for which he was heard today. A press conference will take place right after the hearing. Thank you so much.

1-0131-0000

(The hearing closed at 12:16)