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Dear colleagues,

Today, I am here in front of you at a pivotal moment in our shared European journey.

As Belgian Minister of Sustainable Development, it is my goal to advocate for the integration of the Sustainable Development Goals (SDGs) into the very fabric of EU legislation. In the following years, the next European Commission has to guarantee our environmental and climate targets remain at the forefront of the agenda, despite the challenges we face.

The Green Deal, a cornerstone of our environmental and climate strategy, now finds itself at a crossroads. We observe the concerns raised by various parties, who call for reassessments of certain measures. However, calls for relaxation must be met with a clear and firm response, because the importance of the Green Deal cannot be overstated. Even if the setbacks of the past years have exposed the fragility of our system, they also offered an opportunity for change. This is why, in accordance with EESC's opinion on just transition, I call for a transforming of the Green Deal into a Green and Social Deal. This approach represents a comprehensive framework aimed at addressing the urgent climate crisis and ensuring a just transition for all, while leaving no one behind.

Moreover, as our international competitiveness depends on our commitment to a sustainable industry, now is the opportunity for a Green Industrial Deal. At a time when the United States and China are rushing ahead with green innovation, it would be a serious mistake for Europe to miss the boat. Our industries need predictability and clarity, which can only be achieved through a firm commitment to our environmental and social objectives, in order for our industries to be resilient and sustainable.

The EU has taken steps towards this, for example with the adoption of the Corporate Sustainability Due Diligence Directive. The directive is not only an important milestone to address the adverse human rights and environmental impacts of companies' activities, it shows the need of a holistic approach, considering social, economic and environmental issues as intrinsically interconnected. It serves as a concrete example to showcase the importance of policy coherence for sustainable development within all policy-making processes.

Recent natural disasters, such as the devastating floods in Belgium and severe weather in France and all over Europe, have caused immense human suffering and economic damage, especially to the most vulnerable households. The Worldbank states that from 1980 to 2022, weather and climate-related events across the EU caused total losses of about 650 billion euros, or around 15.5 billion euros per year<sup>1</sup>. This highlights the vulnerability of our infrastructures and also again underscores the urgent need for policy coherence for sustainable development, because if we want a sustainable economy, we will need to implement highly ambitious environmental and climate policies.

A sustainable economy also calls for sustainable financial systems. As I have emphasized since the beginning of my mandate, "follow the money" has been a leitmotiv. Or as recently stated by Antonio Guterres: "Money talks and it must be a voice for change." It is crucial to closely monitor the flow of financial resources and their impact on our sustainable development goals. The EU has taken important steps towards a more sustainable finance as we have seen with the EU Taxonomy and the emergence of the Do No Significant Harm ('DNSH')

principle that is embedded in several pieces of Sustainable Finance legislation. By directing private funds from banks and investors, as well as public funds from government institutions, towards the achievement of our environmental and social objectives, we are making progress. By contrast, investing in polluting industries presents major risks, not only for our health and environment, but also financially, particularly for long-term investments. The declining demand for environmentally and socially harmful products, threatens our long-term financial stability if we do not redirect these investments. Therefore, it is vital to divest from harmful industries, and reorient financial portfolios only towards investments that help us achieve the sustainable development goals.

As we look ahead to the next legislature and the upcoming UN Summit of the Future, we must identify areas where more progress is needed. This is exactly the purpose of this event, to work together on our commitment to the full implementation of the SDGs in this decade of action. With only 6 years to go until 2030, now is a time for acceleration, not for setbacks. The European Union and its member states need to strengthen its decision-making to develop a systematic and coherent sustainable development policy. The focus of today on cross-cutting themes, such as measuring progress, unlocking the wellbeing economy, and realizing the SDGs globally amid setbacks, is crucial. It is our responsibility to lead Europe towards a sustainable, just and inclusive future. Let us continue to champion the Green Deal, transforming it into a Green and Social Deal that benefits all. Let us embrace a holistic approach, working together across sectors and disciplines. Together, we can build a resilient and sustainable Europe for future generations.

Thank you.