Madam Chair,

Honourable Members of the European Parliament,

Ladies and Gentlemen,

Good morning! I am pleased to be here before this Committee to discuss how we together can advance the EU's environmental agenda – to safeguard the well-being of European citizens, while ensuring that our activities remain within the ecological limits of our planet.

Estonia joined the European Union in 2004. This is **the first time** we have the privilege of holding the Presidency of the Council of the EU – we consider this a great honour and to mark this historic occasion, please allow me to say a few words in my native language – Estonian.

Tuleva aasta alguses tähistame **Eesti Vabariigi 100. juubelit** ning sellele ajale oli kavandatud ka meie eesistumine. Saatuse tahtel avanes meil võimalus alustada pool aastat varem ning võtsime selle väljakutse vastu täis teotahet. Olgu see tunnistuseks sellest, et oleme ka eesistujana **valmis ootamatutes olukordades** ühise eesmärgi ja heaolu nimel otsustavalt tegutsema. Kavatseme anda endast maksimumi, et oluliste eelnõude menetlemine kulgeks tõhusas tempos ja konstruktiivses vaimus. Ma lähen nüüd üle inglise keelele.

Today is **World Population Day**. Currently, there are approximately 7,5 billion people on this planet. According to the most recent UN estimates, the world is on track to reach 10 billion by 2050 – it's a catastrophic outlook if we continue current production and consumption patterns. Fortunately, Europe is already **transitioning to a resource-efficient and low-carbon circular economy**.

Honourable Members of the European Parliament,

I would like to affirm that the Parliament as an **essential partner in the legislative process**, and we are looking forward to productive collaboration with members of this Committee. We are ready to engage in constructive dialogue **to** achieve the best regulatory solutions.

Our priorities for the Environment Council cover three topics: **climate change, circular economy, and eco-innovation.** Please take note that issues related to public health and food safety will be addressed later today by my colleague Jevgeni Ossinovski, the Minister of Health and Labour.

The proposals I am about to address have been included **as priority issues on the European legislative agenda for 2017.** Estonia is ready to **build on the progress made by our Maltese colleagues** and to advance as far as possible on all issues that are currently on the table.

Actions to combat climate change are the most pressing issues on our list of priorities. The Estonian Presidency is working hard to push forward the proposals of the EU's 2030 Climate and Energy Framework, which will put us on track to reduce greenhouse gas emissions by at least 40% during the next decade.

I'll start with the cornerstone of the EU's climate policy – the **Emissions Trading System**. Now that the momentum has been restored, we'll be able to move forward in a more productive manner. The outlook is promising as we have the same goals – a strong trading scheme that is fit-for-purpose, and takes us towards the targets set for 2030.

As regards **aviation emissions**, we intend to start – and hopefully finalise – trilogues. The Maltese Presidency secured the negotiation mandate in June, and we are ready to engage with the Parliament as soon as possible. Reaching an agreement is critical to ensure legal certainty for aircraft operators and to show the EU's support towards the global measure planned under the International Civil Aviation Organization agreement. The momentum is there, and we are looking forward to productive collaboration with **rapporteur Ms Julie Girling** on both ETS proposals. I would also like to express our appreciation to Ms Girling for visiting Estonia this May, and meeting with our team.

Now if we look at the sectors falling outside the emissions trading system, I'm glad that the Parliament has made a good progress. We congratulate rapporteur Mr Gerbrandy on securing the mandate for trilogues on the Effort Sharing Regulation. We also recognise the excellent work on the LULUCF regulation under the leadership of rapporteur Norbert Lins – congratulations on the successful vote this morning! On our part, we are working towards a compromise in the Council. Our aim is to reach a general approach in October, and start trilogues before the end of our term.

I will round out our agenda on climate change by addressing the topic of international negotiations. Europe had an instrumental role in brokering the Paris Agreement, and we have reaffirmed our commitment. The world looks to Europe for leadership in the implementation of the

Paris agenda. In this regard, the **COP 23 in November** will be an important milestone as global climate action has entered a decisive phase. The Estonian Presidency is focused on delivering the Paris work programme, and laying the groundwork for the facilitative dialogue in 2018. We will discuss these issues at the informal ministerial meeting in Tallinn.

The second major focal point of our Presidency programme is the transition to circular economy. Currently we are in the process of negotiating the waste package – it will lay the foundation to resource-efficient circular economy. The Estonian Presidency recognises the highly technical nature of this package and we are devoted to work out a fair and balanced agreement. I would like to commend rapporteur Ms Simona Bonafé for her impressive work on this extremely complex set of proposals!

At the same time, we are also looking forward to **upcoming Commission proposals** that constitute the next stage of the Circular Economy Package – the proposals on plastics, wastewater reuse, and the interface of chemicals, product and waste legislation that are expected later this year.

On top of that, the Estonian Presidency will **highlight the role of eco-innovation** in the transition to circular economy. It is the common priority for our Trio Presidency with Bulgaria & Austria. Together we want to provide constructive input for promoting this issue at the EU level. Already this Thursday, we will have the **informal ministerial meeting** in Tallinn, where we will focus on product transparency, smart cities, and financing sustainable growth. We will dedicate the month of October to eco-innovation, and host several events exploring digital and also nature-based solutions. Ultimately, our ambition is to adopt Council Conclusions in December. By the end of our Trio period in 2018 we expect to develop an integrated approach for a coherent product policy. In addition, we aim to enhance the role of consumers, including the public sector that could generate greater demand for eco-innovative solutions through green and circular procurement.

Our focus on eco-innovation aligns with the wider objectives of sustainable development as outlined in **Agenda 2030**. We welcome the Parliament's active position and the recent resolution on this matter. We appreciate the initiative shown by rapporteur Seb Dance in this matter. The Council adopted its conclusions in June, and we look forward to further action by the Commission to identify gaps in EU policy and propose a strategy for implementation.

To conclude my presentation, I would like to indicate that, **first and foremost**, the Estonian Presidency is hoping to make substantial progress with the **proposals on the EU's emissions reduction system**, and also the **waste package**.

I would also like to reaffirm that we consider the members of this Committee as valuable partners in achieving our goals.

Thank you for your attention! I am now ready to take your questions, and I look forward to your insights and comments.