

Public Finances and Climate Change in the Post-Pandemic Era

Fourth Annual Conference of the European Fiscal Board

25 FEBRUARY 2022 | BRUSSELS, CHARLEMAGNE BUILDING, DE GASPERI ROOM, RUE DE LA LOI 170

One of the key challenges for the next decade is how to facilitate the green transition. While investment needs are gigantic, stratospheric public and private debts may come in the way of bold actions. The challenge for public finances is formidable. Governments are expected to scale up public investment, to buffer the costs of more severe weather-related shocks, and to deploy other fiscal tools (taxes, subsidies, transitory transfers) in a way that facilitates a smooth private sector transition and handle the unavoidable distributive effects of a higher carbon price. What does this imply for fiscal sustainability and the role of public finances? Should the economic governance review aim to give special treatment to fiscal support in favour of the green transition? If so, what is the best, feasible approach? Moreover, how will monetary and fiscal policy interact in advancing the green transition?

■ PROGRAMME

08:45 - 09:15 Registration - welcome coffee

Opening

09:15 - 09:20 Welcoming remarks by **Niels Thygesen** | Chair, European Fiscal Board

Chair: **Roel Beetsma** | Member, European Fiscal Board

09:20 - 09:30 Opening speech (video message) by **Valdis Dombrovskis** | Executive Vice President, European Commission

09:30 – 09:40 Keynote address (video message) by **Frans Timmermans** | Executive Vice President, European Commission

Morning session Chair: **Massimo Bordignon** | Member, European Fiscal Board

09:40 - 10:25 Assessing the fiscal policy impact of the climate transition
Inna Oliinyk | Network of EU Independent Fiscal Institutions
Discussant: **Friedrich Heinemann** | ZEW Mannheim

10:25 - 10:50 Coffee break

10:50 - 11:35	<p><i>Economic growth after major economic downturns: the role of fiscal policy and government investment</i></p> <p>Martin Larch Secretariat of the European Fiscal Board Peter Claeys College of Europe Wouter von der Wielen European Investment Bank</p> <p>Discussant: Sebastian Hauptmeier European Central Bank</p>
11:35 - 12:20	<p><i>How independent fiscal institutions can support green budgets</i></p> <p>Scott Cameron OECD Mark Hadley CBO Lisa von Trapp OECD</p> <p>Discussant: Laszlo Jankovics Secretariat of the European Fiscal Board</p>
12:20 - 13:45	Lunch break ¹
Afternoon session	Chair: Mateusz Szczurek Member, European Fiscal Board
13:45- 14:30	<p><i>Understanding the climate risks to sovereign debt: From data to models</i></p> <p>Stavros Zenios Professor, University of Cyprus</p> <p>Discussant: Lucrezia Reichlin London Business School</p>
14:30 - 15:15	<p><i>Fiscal Costs of Climate Policy</i></p> <p>Rick van der Ploeg Professor, University of Oxford</p> <p>Discussant: Signe Krogstrup Danmarks Nationalbank</p>
15:15 - 16:20	<p>Panel Discussion</p> <p>Moderator</p> <p>Jean Pisani Ferry European University Institute</p> <p>Panellists</p> <p>Xavier Debrun Member, European Fiscal Board</p> <p>Isabelle Mateos y Lagos BlackRock</p> <p>Hélène Rey London Business School</p> <p>Guntram Wolff Bruegel</p>

¹ Lunch boxes will be at the disposal of participants attending the conference in person in Brussels.

16:20 - 16:30

Concluding remarks (video message) by **Paolo Gentiloni** | Commissioner,
European Commission