

From: [redacted]
To: [redacted] (CAB-SCHMIT)
Cc: Art.4.1(b) (CAB-SCHMIT); Art.4.1(b) (CAB-SCHMIT); Art.4.1(b) Privacy; Art.4.1(b) A
Subject: Re: Making the Green Deal an industrial success --- transforming the automotive value-chain (3 March 2021)
Date: mercredi 24 février 2021 13:09:10

Dear Art.4.1(b) Privacy,

Regarding Art.4.1(b) email below, I would like to confirm from our side availability for a 30 minutes meeting tomorrow, 25 February, at 12:30.

During the call we would give a short briefing about the workshop on 3 March as well as a short insight into ZF activities to support training and re-skilling as we go through the transformation process of the automotive industry.

I hope this would meet Ms Art.4.1(b) and Mr Art.4.1(b) Privacy expectation.

Once the meeting is confirmed, we are happy to send you the call link via Microsoft Teams.

Best regards,
Art.4.1(b) Privacy

Am 24.02.2021 um 10:33 schrieb Art.4.1(b) Privacy
Art.4.1(b) Privacy

Thank you, Art.4.1(b) Privacy,
much appreciated and we look forward to the discussion.
We will send you the technical details. Hanna, our Brussels head of office, will also get back to you shortly to confirm if we can make the slot tomorrow or need to shift to Friday or Monday – but we of course will do everything to make a brief exchange in advance of the workshop possible!
Best regards! Art.4.1(b) Privacy

Von: Art.4.1(b) Privacy >

Gesendet: Mittwoch, 24. Februar 2021 09:13

An: Art.4.1(b) Privacy

Cc: Art.4.1(b) Privacy

Art.4.1(b) Privacy

Betreff: RE: Making the Green Deal an industrial success --- transforming the automotive value-chain (3 March 2021)

Dear Art.4.1(b) Privacy,

I am happy to inform you that our cabinet members in charge of Skills namely Art.4.1(b) Privacy and Art.4.1(b) Privacy would be pleased to attend the roundtable on Wednesday 3 March.

In addition, they would be interested to have a phone call as suggested in your e-mail. We would therefore like to propose you a short virtual meeting on Thursday 25 February at 12.30. Should the suggested time slot not be suitable, please do not

hesitate to come back to me.

We would also be grateful to receive further information on the roundtable including the technical details.

Many thanks in advance.

Kind regards,

Art.4.1(b)

Privacy
<image002.jpg>

Art.4.1(b) Privacy

European Commission

BERL 10/309

Tel: Art.4.1(b)

E-mail: Art.4.1(b) Privacy

<image003.jpg>

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From: Art.4.1(b) Privacy

Sent: Tuesday, February 23, 2021 12:23 PM

To: Art.4.1(b) (CAB-SCHMIT) Art.4.1(b) Privacy

Subject: AW: Making the Green Deal an industrial success --- transforming the automotive value-chain (3 March 2021)

Dear Art.4.1(

),
great to hear and thank you for the speed and content of your kind reply!

Absolutely, we would of course be delighted to welcome your colleague. Feel free to forward and she or he is more than invited to make an intervention on this during the roundtable discussion (no slides or similar needed – focus lies on exchange and debate).

If you allow one more comment on content: The activities under the skills agenda, anything that supports training and re-skilling are highly appreciated. We will no doubt need those activities, and are already engaging in own re-skilling activities with a focus on electrification and digital competences. Partly, this is done in-house and partly with external partners. And we are grateful for any support from governments, from local to EU level.

That said, my impression is that sectoral initiatives by other DGs may not always take into account the skills challenge. Take some numbers for ZF. We have 150,000 employees. Of our turnover, around one quarter depends on the combustion engine. This is much less than 5 years ago (roughly half) or even 3 years ago (roughly a third) – just to underline the rapid speed of change in industry. But the challenge remains huge, and that challenge is probably larger for society than for individual companies (certainly large ones with a broad product portfolio): we are willing to go the path that politics lays out for us with the EU CO2 regulation, with all its consequences. To limit negative consequences, one key factor is time available for the transformation. This will determine how much the age pyramid can help us achieve a socially acceptable transformation. The other key factor is in my eyes not receiving sufficient focus in Brussels: which technology-paths are open in the regulation.

What do I mean by that? Re-skilling is crucial, no doubt. But we should have no illusions that companies, even with re-skilling support, will be able to systematically

transform today's combustion sites to pure electric sites. The gap is too large; the high skills of workers (with corresponding high wages) and the existing machinery at the site are becoming obsolete in such a technological disruption and thus in fact obstacles to a successful transformation. However, we can transform such sites via hybridization. Existing skills and machinery then turn into strengths on which to base the transformation of sites and re-skilling of workers. In such a scenario, we add electrification technologies to the site that used to produce only combustion engine parts.

My point: Electrification is the future. No need to defend the conventional combustion engine. But the way the EU CO2 regulation gets us there, and which role hybrids can play for a long time (beyond 2030!) are crucial for the transformation. The more hybrids we have, the more jobs we will have (because of labour intensity of the technology) and the more we can successfully re-skill and the more we can achieve a successful transformation of plants. Besides, putting on my private hat, I fear this will be crucial to avoid a political backlash (I am happy to share privately some feedback from union representatives in Germany and France – you can imagine...). Last point: If we are smart in the regulation, we can incentivize not all hybrids but those plug-in hybrids that have a pure e-range of say 100km. Because they can combine an ambitious climate agenda with a successful transformation agenda.

Sorry for diving too deep in the technology pathways, but my hope is that DG CLIMA and DG GROW will look more into those paths if we really want to make the Green Deal an industrial success, rather than limiting damage.

I hope this is constructive. Naturally, I am open to any pushback and criticism and look forward to continuing this discussion on another occasion.

Thank you again for your time, and best regards! Kai

Von: Art.4.1(b) Privacy

Gesendet: Dienstag, 23. Februar 2021 11:28

An: Art.4.1(b) Privacy >

Betreff: RE: Making the Green Deal an industrial success --- transforming the automotive value-chain (3 March 2021)

Dear Art.,

Thank you for your message and good to hear from you! Both our professional and private lives are indeed now super busy with Anne's latest move but it was a good opportunity that she couldn't refuse, also from the Danish angle of things...

On your request, as you can imagine we are very interested to make the Green deal an industrial success. On our side, we've been and are still working full steam on several social and employment initiatives to stabilise the socio-economic consequences of the pandemic with a strong focus until now on the preservation of jobs and anticipation for the next months on jobs creation and job-to-job transition linked to the green and digital transitions. I think that where we could add value to the debate in the context of these transitions is on actions to incentivise workers to train and boost people's skills. As you may have noticed, we published last year in July an ambitious skills agenda (<https://ec.europa.eu/social/main.jsp?catId=1223&langId=en>) as well as a package of measures to support employment of young people (<https://ec.europa.eu/social/main.jsp?catId=1036&langId=en>). We're now working full steam to finalise an action plan to be presented next week showing how to implement the European Pillar of Social Rights by the different

levels of governance and by each stakeholders, together with a Commission Recommendation that will help guiding Member States to adopt swiftly Effective Active Support to Employment (EASE) measures to ease the job-to-job transition in the context of the recovery (all of this is also linked to the Commission industrial strategy and the “Breton” industrial ecosystems).

Turning now to the virtual roundtable that you’ll organise next week, I think that where we could add value to the debate is on these skilling and job-to-job transition measures in the light of the above. Unfortunately, since your roundtable will be organised exactly at the same time of next week’s College of Commissioners where these social and employment measures will be discussed and adopted, I will not be able to participate. But if you agree, I could ask colleagues in charge in the cabinet if they could be available for an intervention.

Would this fit to the debate and be ok with you?

Best,

Art.4.1(

Art.4.1(b)

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Art.4.1(b) Privacy

European Commission

BERL 10/314

Tel: Art.4.1(b)

E-mail: Art.4.1(b) Privacy

[<image003.jpg>](#)

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From: Art.4.1(b) Privacy >

Sent: Monday, February 22, 2021 12:22 PM

To: Art.4.1(b) Privacy

Subject: Making the Green Deal an industrial success --- transforming the automotive value-chain (3 March 2021)

Dear Art.4.1(

I hope this mail finds you well in challenging times – and no doubt also busy times for you and the family judging by the news on LinkedIn. Please pass on my congratulations!

Please allow me to approach you on a work-related issue.

The Green Deal is the EU’s climate strategy. As far as I can tell, it is also the EU’s industrial strategy. But will it be an industrial success for key industrial sectors? I am convinced it can be – but it won’t be *just because* the Commission says so. **To make it succeed, political focus on the opportunities and limits of that transformation in industry (read: on the shop-floor) is key.** Because some technology paths to climate-neutrality can build on the existing industrial backbone, allowing the transformation we all seek – while others will inevitably lead to a disruption of value-chains. **Covid does not allow EU decision-makers to visit plants. That is why my company, together with BMW, Bosch, Daimler, Mahle and Total, wants to bring this discussion to Brussels.** We want to show how we can successfully transform the automotive value-chain. Our companies are on

positions 2, 3, 4, 21, 52 and 58 of the 2020 EU Industrial R&D Investment Scoreboard. We are investing more than 25 billion Euros annually in R&D, making this transformation happen.

In a virtual roundtable **on 3 March at 9:30-10:45 CET**, we want to discuss transformation opportunities and challenges with the cabinet of EVP Timmermans. Daniel Mes from his cabinet has recommended reaching out to other cabinets, as we believe there would be value in having this discussion together. We start with a **virtual plant tour** with site managers from the factory floor to discuss the practical terms of the transformation. This is followed by an interactive discussion between all participants, where I am hoping you can play an active part.

I am of course aware that your calendar is busy, and would like to thank you in advance for your consideration of this request or possibly forwarding it to a member of your team. In case you cannot join, I would very much appreciate if we could have **a 10 min call on this issue, because professionally and privately, I worry about the widening gap between the debate in Brussels and in the plants.** The industrial, social *and political* consequences would be severe if the Green Deal turned out to be an industrial failure – so let us make it a success!

Thank you very much in advance, and best regards,

Art

Mit freundlichen Grüßen / Kind regards

Art.4.1(

Art.4.1(b) Privacy

ZF Friedrichshafen AG

Art.4.1(b) Privacy

Art.4.1(b) Privacy

Phone Art.4.1(b) Mobile: Art.4.1(b)

Art.4.1(b)

Privacy Chairman of the Supervisory Board: Dr.-Ing. Franz-Josef Paefgen

Sitz/Headquarters: Friedrichshafen

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