



*** Check against delivery ***

11 September 2009

TRANSATLANTIC RELATIONS FROM THE PERSPECTIVE OF ENERGY AND CLIMATE POLICY

SPEECH BY JÜRGEN R. THUMANN, PRESIDENT OF BUSINESSEUROPE

**18TH FRANCO-GERMAN MEETING, EVIAN
11 SEPTEMBER 2009**

Ladies and gentlemen,

When the world reaches a strong consensus on an issue, it should be fairly easy to effect change. One would think. But it isn't. And climate protection is one of the saddest examples. What the world needs now, is a sustainable course from the present way we run the economy, to a future with less CO₂ emissions. This must be the outcome of the Copenhagen Agreement. But we can only achieve this, when all industrial countries get involved. And above all: the USA. This is exactly where much work is still needed.

The EU has legally committed to reduce 20% of its greenhouse gas emissions by 2020 compared to 1990. This is the most ambitious and costly climate policy program in the world. A program that puts a heavy burden on European industry and energy sectors that, note well, account for only 6.5% of global emissions!

The current US offer to cut emissions, is in no way compatible with the European target. President Obama has officially announced to just move back to 1990 emission levels by 2020. But the US Senate still needs to back this commitment!

To make Copenhagen a success three things are essential now:

First, the US will have an ambitious climate change law before Copenhagen. And thus show they join Europe's leadership on climate action. Only when we set a joint example, we can convince other countries to be equally eager to addressing climate change.



Second, on climate issues we need close cooperation between the US and the EU. In order to reduce emissions cost-effectively a global carbon market has to develop. A joint transatlantic effort must link the emission trading schemes in the EU and the US. My hope is that the U.S. will work with Europe to agree on common standards and practices to make it all happen.

My third point is: On both sides of the Atlantic policy-makers must enable energy efficient technologies to be developed and adopted. The EU Community and Member States combined, spent 40 billion Euros on green measures as part of their national stimulus packages.

The US has allocated 82 billion Euros. The US takes the economic crisis as an opportunity for an energy turnaround. And indeed, industry in the US and in Europe is ready and willing to support the efforts of policy-makers!

But even more important than stimulus money, is the legal and regulatory environment, companies operate in. And so policy-makers need to:

- create framework conditions that promote research and development,
- must enhance the protection of intellectual property,
- and need to prevent or eliminate regulatory barriers.

As President of BUSINESSEUROPE and Chairman of the Transatlantic Business Dialogue, I work actively to get this issue of energy and climate discussed on a broader basis within the framework of the Transatlantic Economic Council. Industry's input is essential, but it absolutely needs the right framework.

Ladies and gentlemen,

it is time that nations move beyond expressions of good faith.

Copenhagen must become a success. And that requires that

- we work hard,
- commit ourselves to details,
- and are willing to reshape or even sacrifice priorities!

We just need the will and determination to make it happen.

* * *