

THE DIRECTOR GENERAL

To: The President, Chairmen of political groups, Members of the ENVI Committee and Substitutes.

17 June 2011

Dear Member of the European Parliament,

I am writing you to bring your attention to the European business community's concern about some recent developments of EU climate change policy.

Members of the European Parliament are expected to vote on the Bas Eickhout Report on 23 June, two days after the expected adoption of the Environment Council's Conclusions on the *Roadmap for moving to a competitive low-carbon economy in 2050.* Both the Resolution and the Conclusions will respond to Communications from the Commission suggesting, inter alia, changes to the already established framework for 2020.

As Europe still struggles to leave the economic crisis definitely behind it, we are convinced that European competitiveness, jobs and growth would be significantly impeded by a further tightening of the EU's unilateral reduction target in the 2020 horizon. Moreover, such a move could be counter-productive and would not have any useful impact on mitigating climate change as it would accelerate carbon leakage.

Changes to the already set 2020 reduction target must therefore be conditional to the conclusion of a comprehensive, fair, legally binding and enforceable international climate change agreement; demanding strong efforts from all other industrialised countries and major emerging economies. Moreover, politic intervention in the market mechanisms of the EU Emissions Trading Scheme should be avoided, as this would increase uncertainty and reduce overall support of the system.

I understand that amendments to the Motion for a Resolution addressing these concerns will be tabled and I encourage you to support them.

Yours sincerely,

Philippe de **B**uck