



CLARIFYING STATEMENT BY THE PRESIDENT AND DIRECTOR GENERAL OF BUSINESSEUROPE

(2 September 2015, Brussels)

BUSINESSEUROPE has recently been named and shamed as an organisation trying to undermine climate change policies. A group of Corporate and Social Responsibility driven investors is claiming that we are "... influencing climate change policy in an undesirable manner..." or doing "... obstructive lobbying..." This represents a very inaccurate and biased view on what BUSINESSEUROPE positions on climate policies are. We believe it is necessary to remind actors of our main positions in the field of climate policy.

First of all it is important to recall that BUSINESSEUROPE is an EU Social Partner and the main business organisation at EU level. Our 40 member federations are leading industrial and employers' federations from 34 European countries working together to achieve growth and competitiveness in Europe.

BUSINESSEUROPE, together with all our members and the millions of European companies they represent, is committed to and aware of the challenges that climate change presents as well as the impacts of human activities. As we repeatedly said, we firmly expect the United Nations climate conference in Paris in December 2015 to deliver an ambitious legally-binding agreement, which reflects the long-term objective of limiting global warming below 2°C. We have raised our voice very clearly against the slow pace of progress in international negotiations so far, calling on negotiators to speed up the process to make Paris a turning point in global climate efforts^[1]. BUSINESSEUROPE will remain highly mobilised in the coming weeks to make the voice of the European business community heard.

Climate change is a global challenge that requires global action. This is why we believe carbon pricing and the development of a global carbon market should play a stronger role in the future. Economic instruments can best help to stimulate investments in innovative technologies and products at locations where they deliver the greatest possible climate benefits at the lowest costs. We have supported that discussion during the Business Climate Summit in Paris in May 2015 by publishing [a joint statement](#).

Turning to European policy, BUSINESSEUROPE firmly endorses the EU Emissions Trading Scheme as the cornerstone of climate and energy policy. While opposing back-loading – which we believe was an *ad-hoc* quick fix to a much deeper problem - we clearly support a reform of the system to achieve less carbon price volatility in the future (the 'Market Stability Reserve'). This is important for the energy industry which requires a carbon price that is meaningful to utilities' investment decisions today and tomorrow.

At the same time, we take the risk of carbon, or in other words, investment leakage very seriously and we will continue to defend the legitimate concerns of exposed industries. This is why it is important to keep strong protection measures for industrial sectors exposed to international competition, until our main competitors have comparable carbon costs. And on this very specific point, we don't think the European Commission's proposal from July has reached the right balance so far.

^[1] [Press release on Bonn negotiations](#) – [A global deal is our business](#) – [Joint letter to Mrs Mogherini](#)

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Under the fixed emissions reduction cap, it is unnecessarily reducing the amount of free allowances available to sectors exposed to carbon and investment leakage.

We are confident these explanations clarify what BUSINESSEUROPE key positions are and will prevent any further misleading communication in the future.

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President

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