



THE PRINCE OF WALES'S

EU CORPORATE LEADERS GROUP ON CLIMATE CHANGE  
UNIVERSITY OF CAMBRIDGE PROGRAMME FOR SUSTAINABILITY LEADERSHIP

Connie Hedegaard  
European Commissioner for Climate Action  
European Commission  
1049 Brussels  
Belgium

17 May 2010

Dear Commissioner Hedegaard

**Re: Communication from the Commission on *Unlocking Europe's potential in clean innovation and growth: Analysis of options to move beyond 20%***

We are writing as members of The Prince of Wales's EU Corporate Leaders Group on Climate Change (EUCLG) to welcome the European Commission's communication *Unlocking Europe's potential in clean innovation and growth*.

**In order for Europe to retain a leadership position on climate change and decarbonisation, we recognise that there is an economic case to review the 20% GHG reduction target, even in the absence of a strong international agreement.** Proper analysis and risk assessment is essential to understand the level of ambition that is necessary to exploit opportunities for green growth and make the EU a globally competitive low carbon society embraced by Europe's citizens.

We recognise that any decision on more ambitious targets must be grounded in maintaining European competitiveness. We hope the European Commission will continue to develop the economic and policy framework that is needed to develop a strong low carbon economy, while also playing a leadership role in seeking an international climate change framework and encouraging all countries to deliver on the targets set out under The Copenhagen Accord. We are hopeful that all of the European Commission's Directorate Generals will become fully engaged in working with you towards the development of a truly sustainable European society.

In order to create the momentum towards a more ambitious target by 2020, we would like to offer to work in partnership with the Commission to develop a plan that addresses the economic implications for certain sectors, as well as the industrial opportunities for Europe as a whole, in moving beyond a 20% GHG emissions target. This plan should seek to deliver urgent progress in key areas, such as energy efficiency, funding for low carbon technologies, and the delivery of Carbon Capture and Storage (CCS) demonstration projects.

We are concerned that weak carbon prices could seriously undermine domestic investments in low carbon technologies, as well as the development of emissions trading internationally. We strongly support an economic review of the Emissions Trading Scheme (ETS) which we hope would be complemented by an investigation into the additional measures which may be necessary to move beyond 20% GHG reduction targets by 2020 and ensure minimal carbon leakage, potentially through the inclusion of importers into the scheme.

We very much look forward to working in partnership with the European Commission to unlock Europe's green growth potential and achieve our shared goal of a vibrant low carbon society.



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Our sincere regards,  
EU Corporate Leaders Group companies:

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