

## Joint statement by investors, renewable energy and energy efficiency businesses on Energy Union Governance

Brussels, 6 December 2017

Dear Members of the Parliament,  
Dear Deputy Permanent Representatives,

The co-signatories of this statement are investors and major business organisations from the renewable energy and the energy efficiency sectors. **We join forces today to underline the importance of the regulation on Energy Union Governance and to call on you to guarantee a robust, stable and predictable policy framework after 2020.** We see an ambitious governance regulation as a pre-condition for the Union to put Efficiency First and be a world leader in renewable energy. In light of this, we want to underline three main elements on which the Governance regulation needs to deliver:

**Firstly, the governance regulation needs to provide clear and actionable mechanisms if the Commission identifies an ambition or a delivery gap.** The proposed sectorial directives give Member States great leeway, but flexibility should not come at the expense of the guarantee that the Union and its Member States will deliver on their targets. The Energy Union Governance should in particular anticipate the possibility for the Commission to identify Member States whose pledged 2030 targets are below their fair share and requesting specified Member States to bridge any emerging gap if they fall below their linear trajectory (see next point).

**Secondly, the Commission should track progress at national and Union level against linear trajectories.** The private sector is sensitive to the stability of the regulatory framework, as laws and regulations play a critical role in improving or deteriorating investment conditions. We believe that requiring steady progress every year for technological deployment reduces the risk of drastic regulatory changes, and provides investor certainty. It thereby reduces the risk of Member States and the Union missing their 2030 targets, which is crucial if Europe wants to remain credible on the international scene.

**Lastly, the governance regulation must ensure the compatibility of the European framework with the Paris Agreement.** The targets currently included in the EU's nationally determined contribution fall short in delivering the goals set out in the Paris agreement. This contradiction requires the Union and its Member States to adopt an unambiguous and actionable long-term goal compatible with the Paris Agreement. The Paris Agreement also foresees a gradual increase of ambition over time. In order for the Union and its Member States to comply with this requirement, the national plans submitted by the Member States must be designed to be compatible with these five-year review cycles and each iteration of the plan must be more ambitious than the previous one.

**We call on you to support this plea for a robust, stable and predictable policy framework that will create an investor climate certain enough to guarantee that the EU and its Member States reach their 2030 climate and energy targets, making the Union a world leader in renewable energy and putting Efficiency first.**



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