

President José Manuel Barroso European Commission

1049 Brussels

12 September 2007

Dear President.

Re: EU Climate Change Policy

We would like to draw your attention on the series of climate change meetings scheduled from September through December, including the meeting hosted by the US President in Washington (27-28 September) and the 13<sup>th</sup> Conference of the Parties (COP-13) to the UN Framework Convention on Climate Change (UNFCCC) from 3 to 14 December 2007. We believe that these meetings present a unique opportunity to reinvigorate global progress on combating climate change.

BUSINESSEUROPE urges the EU Institutions and Member States to use all these meetings to gain global consensus on the way forward to achieving a comprehensive global agreement that has the support of all the large emitting countries and regions. COP-13, in Bali, is a vital opportunity to provide business with the clarity that it needs for a transparent and stable regulatory framework for the post-2012 regime. Such predictability is essential to enable business to continue investments in research, development and deployment of new and existing technologies to reduce emissions of greenhouse gases and improve energy efficiency thus protecting the competitiveness of EU Industry and safeguarding the environment.

Any future post-2012 agreement should be under the UNFCCC; it will need to be multi-faceted in order to take into account national circumstances, development needs, economic growth and other factors. It should be based on the building blocks of mitigation, adaptation, technology and financing. No option (such as global or national voluntary approaches or the development of an international carbon market) should be disregarded without detailed analysis of environmental, economic and social benefits.



Whilst it is unlikely that inflexible legally-binding targets will be acceptable to many nations, it is vital that the EU promotes the establishment of a long-term international goal that has the support of all the large emitting countries and regions. Such a goal must be based upon an analysis of realistic scenarios, be flexible to respond to new scientific developments and must encourage innovation and technological developments. It should include medium-term non-binding milestones against which achievements and future needs can be reviewed and assessed.

BUSINESSEUROPE looks forward to working with you in achieving a mutually successful outcome at COP-13 in Bali.

Yours sincerely,

Philippe de Buck