



Press Release:

Business leaders urge EU heads of state to signal new economic direction towards net zero by 2050

April 30 2019 – On the eve of the Future of Europe Summit, CEOs from more than 50 businesses, investors and business networks, including Unilever, IKEA and DSM, are calling on the EU to endorse a long-term decarbonisation strategy to achieve climate neutrality by 2050.

In an open letter, leading European businesses, investors and business networks are urging heads of state to put climate change at the top of the EU agenda in order to provide businesses with the confidence needed to invest in sustainable, net zero industries of the future and deliver on their positive economic forecast for a climate neutral transition.

The signatories come from both worldwide and national businesses, across industry sectors, including automotive, energy, retail, chemicals, steel, engineering, insurance, farming, and food and drink, representing more than 1.5m employees from across Europe, including the UK, France, Germany, Portugal, the Netherlands, Finland, Sweden, Spain and Denmark. The business and investment networks supporting this initiative bring together more than 16,000 climate progressive businesses.


The letter states: 'Putting climate change at the top of Europe's agenda will provide business with the clarity and confidence to invest in the sustainable, net zero emissions industries of the future, driving innovation and protecting European competitiveness on a global scale ... Collectively, we have an urgent task: to decarbonise the global economy in little more than a generation.

'Every year more of us are setting science-based targets for our companies' emissions, we are purchasing clean energy and signing up to renewable energy commitments, using low emission and electric vehicles, converting land to carbon sinks and improving energy efficiency throughout our operations.

'We are doing this because we see the threat that climate change poses to our businesses. The impacts of climate change are already affecting our bottom lines: degrading worker health and productivity, disrupting our operations and supply chains, and damaging assets ... A clear, coherent vision from European governments and institutions for climate neutrality by 2050 at the latest will give businesses like ours the long-term guidance we need to invest.'

The signatories, members of The Prince of Wales's Corporate Leaders Group (CLG), We Mean Business network, The Haga Initiative, the Climate Leadership Coalition, the IIGCC – The Institutional Investors Group on Climate Change and others acknowledge the urgency of the climate crisis, calling on the EU to lead the way towards decarbonisation of the global economy by 2050 at the latest.





CLG Director Eliot Whittington said: “As EU heads of state and government discuss the future of Europe they will need to agree not just a political direction, but also an economic and environmental one. The European Commission’s ‘A Clean Planet for All’ document sets out a vision for a net zero economy that delivers a net economic benefit, including the development of new markets, business opportunities and jobs.

“Businesses from across the EU economy are standing up to make it plain that they know the only viable, sustainable business model is one that delivers sustainable prosperity and climate action. They are calling on Europe’s leaders to set out a swift timetable to deliver net zero by 2050 at the latest and to deliver the right policies to unlock business investment and innovation. The next five years will be decisive in establishing the investment, infrastructure and innovations needed for a climate neutral Europe and securing Europe’s competitive edge in the emerging global clean economy. We need to step up, now.”

The Future of Europe Summit in Sibiu, Romania, has been called by European Commission President Jean-Claude Juncker a “crucial moment” for the EU to grasp a world role as the US withdraws from the global arena.

CEO of Earth Capital, Edward Collins said: “Climate change is the defining issue for our generation. There is much that business and investment sector can already be doing but without clear political leadership we will not achieve the radical systemic change needed to transition quickly to a low carbon, sustainable and just economy.”

CEO of Unilever, Alan Jope said: “Businesses have a responsibility to take action that will help address climate change, and many of us are already doing so. But we need to accelerate progress. A European strategy to deliver Net Zero Emissions by 2050 is essential to signal the direction and speed of travel that is necessary to achieve the 1.5 degree ambition set out in the Paris Agreement.”


CEO of DSM, Feike Sijbesma said: “We at Royal DSM are stepping up to transform and future-proof our business by taking bold climate actions. We would urge European governments to do the same by setting foundations for a faster low-carbon transition in Europe.”

CEO of Ingka Group, strategic partner to the IKEA franchisee system and operating IKEA retail in 30 markets, Jesper Brodin said: “The time to act is now. For every part of society to contribute to the Paris Agreement, we need an EU-wide long-term strategy to reach climate neutrality by 2050. The IKEA commitment is to become climate positive by 2030, and we encourage EU Heads of State to implement a clear and coherent vision that enables us as a retailer, and other businesses, to contribute our part.”

Notes to editors

Link to the full letter text and signatories:

<https://www.corporateleadersgroup.com/reports-evidence-and-insights/news-items/business-leaders-urge-eu-heads-of-state-to-signal-new-economic-direction-towards-net-zero-by-2050>





The full letter text and signatories list can be found below:

Dear Heads of State and Government,

As you gather for the “Future of Europe Summit” in Sibiu on 9 May 2019, we are writing to urge you to endorse an EU strategy for climate neutrality by 2050 at the latest. Pursuing this objective will signal a new economic direction for Europe.

Collectively, we have an urgent task. To decarbonize the global economy in little more than a generation. Europe led the last industrial revolution. We believe it must lead the next one. This is essential to achieve a prosperous and secure future for Europe.

Putting climate change at the top of Europe’s agenda will provide business and investors with the clarity and confidence to invest in the sustainable, net zero emissions industries of the future, driving innovation and protecting European competitiveness on a global scale.

The climate science is unequivocal, and thankfully so now is the economic case for action. Markets are moving, consumers and citizens are moving, young people are making their voices heard.

The EU can take confidence from its achievements to date and the growing body of analysis demonstrating how bold and rapid climate action can drive innovation and investment.


The European Commission’s vision document, ‘A Clean Planet for All’, details the likely positive impacts of achieving climate neutrality by 2050. A net 2% increase in GDP is predicted. Employment will increase overall. Costs linked to fossil fuel imports or health damages will be reduced. Alternative products with a vast market potential will be facilitated through cost-competitive clean energy and low-carbon technologies. This market can create millions of decent jobs for European workers in dynamic new industries.

Like all future-focused businesses and investors, we have already invested in the energy transition. It makes business sense. The costs of solar and wind energy are dropping 10% every year and investors and consumers are increasing their scrutiny of our business operations. Every year, more companies are setting science-based targets for our emissions. We are purchasing clean energy and signing up to renewable energy commitments. We are using low emission and electric vehicles, converting land to carbon sinks and improving energy efficiency throughout our operations and portfolios.

We are doing this because we see the threat that climate change poses to our businesses and to our investments.

The impacts of climate change are already affecting our bottom lines: degrading worker health and productivity, disrupting our operations and supply chains, and damaging assets. Just last year the European heatwave [threatened farmers’ crops](#), causing losses of [nearly 7.98 billion euros](#) and had [demonstrable effects on public health](#) and water availability. As the physical impacts of climate change worsen, they threaten to create impossible conditions for businesses and investors.

We need to move faster, and this transition must be economy-wide.



Businesses and investors cannot do this alone. A clear, coherent vision from European governments and institutions for climate neutrality by 2050 at the latest will give us the long-term guidance we need to invest. It should also address the mid-term targets we will need to achieve climate neutrality.

To succeed, this strategy will need to go beyond the traditional climate focus, encompassing trade, transport, agriculture, innovation, industrial and infrastructure policies.

It will need to be delivered with our workers and local communities. We are sensitive to the impacts that come with economic transition of any kind. These must be planned for and embraced with a strong sense of social justice and equity, ensuring that those who stand to lose in the transition to low carbon are treated with dignity, fairness and provided with opportunities and jobs in the new economy.

As the IPCC Special Report on the impacts of global warming of 1.5°C shows, the world is rapidly using up the available carbon budget and the coming ten years will be crucial. To achieve the commitments made under the Paris Agreement and the UN Sustainable Development Goals, businesses and investors must ramp up investments without delay. The next phase of European action must begin this year

Europe has been a global leader on climate change for decades, and if we strengthen, clarify and formalize our long-term targets and give ourselves the means to implement them we can secure that leadership role and all of the economic and diplomatic benefits that come with it.

As business and investor leaders who aspire to build the climate neutral economy of the future, we urge you agree the necessary policy foundations and set the direction of travel that will provide us with the clarity and confidence to act.


Signatories

1. José Manuel Entrecanales, Chairman and CEO, ACCIONA
2. Alex Wynaendts, CEO, Aegon Asset Management
3. Magnus Billing, CEO, Alecta
4. Peter Simpson, CEO, Anglian Water
5. Klas Balkow, President and CEO, Axfood
6. Marco Gobetti, CEO, Burberry
7. Feike Sijbesma, CEO, DSM
8. Asoka Woehrmann, CEO, DWS Group GmbH & Co. KGaA
9. Edward Collins, CEO, Earth Capital
10. Antonio Mexia, CEO, Energias de Portugal S.A.
11. Jyri Häkämies, Director General, Confederation of Finnish industries (EK)
12. Gilbert Ghostine, CEO, Firmenich
13. Alejandro Agag, CEO, Formula E
14. Pekka Lundmark, President and CEO, Fortum
15. Jens Henriksson, President and CEO, Folksam
16. Hein Schumacher, CEO, Royal FrieslandCampina
17. Joost Bergsma, Managing Partner and CEO, Glennmont Partners
18. John Holland-Kaye, CEO Heathrow Airport Holdings
19. José Ignacio Sánchez Galán, Chairman and CEO, Iberdrola

20. Jesper Brodin, President and CEO, of Ingka Group, strategic partner to the IKEA franchise system
21. Torbjörn Lööf, CEO, Inter IKEA Group
22. Jouko Pölönen, President and CEO, Ilmarinen Mutual Pension Insurance Corporation
23. Ian Simm, CEO, Impax Asset Management
24. Nigel Stansfield, President EMEA, Interface
25. Anita Falkenek, CEO, Krav
26. Antti Herlin, Chairman of the Board, KONE Corporation
27. Eero Hautaniemi, President and CEO, Lassila & Tikanoja
28. Tex Gunning, CEO, LeasePlan Corporation
29. Lars Appelqvist, CEO, Löfbergs
30. Olaf Koch, CEO, METRO AG
31. Juha Marttila, Chairman, Central Union of Agricultural Producers and Forest Owners (MTK)
32. Peter Vanacker, President and CEO, Neste
33. Pablo Bernengo, CEO, Öhman Fonder
34. Michael Otto, Chairman of the Supervisory Board, Otto Group
35. Henrik Poulsen, CEO Ørsted
36. Anders E Johansson, CEO, Polarbröd AB
37. Frans van Houten, CEO, Royal Philips
38. Martin Lindqvist, CEO, SSAB
39. Frank van der Vloed, President, Signify Europe
40. Anders Egelrud, CEO, Stockholm Exergi
41. Karl Henrik Sundström, CEO, of Stora Enso
42. Alan Jope, CEO, Unilever
43. Magnus Hall, President and CEO, Vattenfall AB
44. Jason Warner, Zone President – Europe, Anheuser-Busch InBev
45. Sakari Lukinmaa, Managing Partner, Castrén & Snellman
46. David Cutter, Chief Sustainability Officer and President, Global Supply & Procurement, Diageo
47. Claude Nahon, Executive Vice President Sustainable Development, EDF Group
48. Nick Perks, Trust Secretary, Joseph Rowntree Charitable Trust
49. Lars Holmquist, Executive Vice President, Product Management and Commercial Operations, Tetra Pak

Supporters

1. Helen Clarkson, CEO, The Climate Group
2. Nina Ekelund, Executive Director, The Haga Initiative
3. Piia-Noora Kauppi, Managing Director Finance Finland (FFI)
4. Jouni Keronen, Executive Director, Climate Leadership Coalition
5. Sabine Nallinger, Managing Director, Foundation 2°
6. Stephanie Pfeifer, CEO, Institutional Investors Group on Climate Change (IIGCC)
7. Paul Simpson, CEO, CDP
8. Ana Struna Bregar, CEO, Center of Energy Efficient Solutions (CER)
9. Nigel Topping, CEO, We Mean Business

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10. Eliot Whittington, Director, The Prince of Wales's Corporate Leaders Group (CLG)
 11. Markus Ekelund, CEO, 2050 Consulting
 12. Minna Arve, the Mayor of Turku

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[ENDS]

Link to the news item & letter: <https://www.corporateleadersgroup.com/reports-evidence-and-insights/news-items/business-leaders-urge-eu-heads-of-state-to-signal-new-economic-direction-towards-net-zero-by-2050>

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