Letter to Juncker: Next EU budget must enhance climate action and sustainable development

Brussels,
05 April 2019

Today, a broad group comprised of business associations, civil society, think tanks and other organisations have urged the President of the European Commission, through a joint open letter, to make the future EU budget fully compatible with the Paris Agreement and the Sustainable Development goals. On 2 May, the European Commission is due to publish its general proposal on the spending priorities of the next EU budget after 2020.

The letter* calls upon President Juncker to significantly increase the current 20% climate action share of the EU budget, to climate proof the entire budget by excluding fossil fuels and to ensure that EU funds add to Member States’ efforts to achieve the 2030 and 2050 climate objectives.

Climate change is increasingly perceived by European leaders as a global threat that the EU budget, the so called Multiannual Financial Framework, should address. On 22 March at a Conference on Sustainable Finance, the European Commission President Jean-Claude Juncker stressed that the EU must go further towards aligning financial flows with climate objectives. At the same event, French President Emmanuel Macron called for the next EU budget to earmark 40% of its spending for climate action and the ecological transition.

These declarations add to the growing momentum in favour of more funds for climate action. Earlier in March, 14 environment ministers advocated for a climate-friendly EU budget that rules out fossil fuel subsidies, and the European Parliament agreed to substantially raise the climate action spending target.

Wendel Trio, director of Climate Action Network (CAN) Europe, said: “It is clear for us that the future EU budget must live up to the huge challenges posed by climate change. EU institutions cannot claim that they are doing everything they can to comply with the Paris Agreement whilst continuing to fund fossil fuels. At the same time, the EU budget has a huge untapped potential to catalyse the clean energy and mobility transition.”

“A credible EU budget must address the common and long term challenges Europeans are faced with: climate change is one of them.”

“Higher European climate and energy targets for 2030, particularly in less developed regions, will only be met if they are supported by a 40% climate action spending target and if all fossil fuel subsidies are phased out.”

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Note to editors:

* The letter is accessible here. It has been signed by 31 organisations:

Association of European Renewable Energy Research Centres
Carbon Market Watch
CEE Bankwatch Network
Center for the Study of Democracy
Centre for Transport and Energy
Chance for Buildings
Climate Action Network (CAN) Europe
Climate Alliance
Deutsche Umwelthilfe e.V. / Environmental Action Germany
Deutscher Naturschutzbund (DNR) e.V.
DENEFF
E3G
Energy Cities
European Alliance of Companies for Energy Efficiency in Buildings
European Alliance to Save Energy
European Association for Electromobility
European Environmental Citizens Organisation for Standardisation
European Heat Pump Association
European Insulation Manufacturers Association
European Partnership for Energy and the Environment
Fern
Forum Ökologisch-Soziale Marktwirtschaft
Glopolis
Green Budget Europe
Kyoto Club
Polska Zielona Sieć / Polish Green Network
Romanian Association for Promoting Energy Efficiency in Buildings
Slovak Association of Photovoltaic Industry and Renewable Energy Sources (SAPI)
Transport & Environment
WWF European Policy Office
Zaļā brīvība / Green Liberty Latvia
Quotes from signatories:

Pascal Eveillard, Saint-Gobain, President of Eurima:
"The building sector is a perfect example to highlight the key leveraging synergies between public and private financial streams: with nearly three quarters of the estimated 2030 investment gap accounted for energy efficiency in buildings, sustaining and increasing the climate spending in the EU Budget will be essential to meet the efforts. Coupled with high long-term ambition and robust legislation, EU climate spending will provide the essential engine for the delivery of socio-economic benefits directly to EU citizens".

Jan te Bos, Director General of Eurima:
"When 76% of our efforts towards COP21 must come from energy efficiency, tapping into the savings in the buildings sector is key. This is cost-effectively bridging the gap between reality and the COP21. So, if climate action is mainstream policymaking, financing must follow."

Claire Roumet, Director of Energy Cities:
"Energy and climate priorities are not stand-alone targets of the post 2020 EU. Social inclusion – especially in times of high migration flows – agricultural policy, research and innovation are other key building blocks on the road to a sustainable European economy. They need to be jointly mobilised, as part of a budget better aligned with sustainable development goals and climate objectives."

Jonathan Gaventa, Director of E3G (Third Generation Environmentalism)
"A climate-friendly budget matters for Europe. Climate spending means protecting European citizens from extreme weather impacts, supporting communities to transition to a low carbon economy, catalysing world-leading innovation and kick-starting private investment into clean energy projects. To meet the EU’s climate targets and to respond to the impacts of a changing climate, the next EU budget should increase climate spending and end all subsidies to fossil fuels."