

Mr Herman van Rompuy, President of the European Council **European Council** Rue de la Loi 175, B-1048 Brussels

15 June 2010

Dear President van Rompuy,

Europe's financial woes are likely to get top billing at this week's EU summit. Over the past few weeks, governments have announced cuts of billions of euros that will affect millions of Europeans. Hard times indeed. But stepping up the EU's climate ambition could be a green way out of Europe's economic blues.

With stronger climate targets, European governments could create hundreds of thousands of new green jobs, according to a recent European Commission report. Instead of wasting cash on foreign oil and gas, EU countries could save up to €40 billion by boosting renewables. Savings in pollution control and health costs would be worth between €6.5 billion and €11.5 billion.

A solid commitment for the climate could also help generate billions that could help governments consolidate their budgets. Upgrading the EU's 2020 climate target from 20% to 30% would raise additional income of nearly €70 billion from emissions trading alone – a more than tidy sum to help EU countries reduce mounting budget deficits. (Based on new research, the table attached shows how much each country could gain.) A 40% cut in emissions, which scientists say could help head off the most catastrophic effects of climate change, would help raise even more income.

But so far, you and other European politicians seem unwilling to harness these benefits. Since the Copenhagen climate conference, many European leaders have taken a back seat, claiming there was no way forward until the rest of the world caught up with the EU's climate commitments. But while the EU waits for a diplomatic breakthrough, China and the United States speed ahead in the race for green technologies and energy independence. China has in fact already overtaken Europe in the production of solar panels and the installation of wind turbines.

Representing Europe's leading environmental organisations with over 20 million supporters, we ask you and other European leaders to act in the interest of competitiveness, of the people of Europe and of the environment we live in. We urge you to seriously consider the benefits of increasing Europe's climate ambition at the EU summit this week and to follow up on your promise to hold a special summit on climate change in September.

















Slashing spending may help get European economies out of this recession, but investing in the transformation of the real economy will deliver technological innovation, greater resilience to fuel price fluctuations, increased revenues and greater energy security. We hope you recognise these facts and will lead your colleagues forward on Europe's climate ambition.

Yours sincerely,

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Angelo Caserta, Regional Director of the European Division – BirdLife International Matthias Duwe, Director – Climate Action Network (CAN) Europe asbl Anelia Stefanova, EU affairs coordinator – CEE Bankwatch Network John Hontelez, Secretary-General – European Environmental Bureau Magda Stoczkiewicz, Director – Friends of the Earth Europe Jorgo Riss, Director – Greenpeace European Unit Genon K. Jensen, Executive Director – Health & Environment Alliance Christian Baumgartner, Generalsekretär, Naturfreunde Internationale Jos Dings, Director – The European Federation for Transport and Environment (T&E) Tony Long, Director – WWF European Policy Office

EU Emissions Trading System total auctioning revenues for EU member states between 2012 and 2020 (in billion euros)

	20% emission cuts	30% emission cuts	Benefit (auctioning revenues)
Austria	€1.6 bn	€2.7 bn	+63% (€1.1 bn)
Belgium	€3.2 bn	€5.3 bn	+63% (€2.1 bn)
Bulgaria	€2.8 bn	€4.4 bn	+59% (€1.6 bn)
Cyprus	€0.2 bn	€0.3 bn	+51% (€0.1 bn)
Czech Republic	€3.4 bn	€5.1 bn	+51% (€1.7 bn)
Germany	€24.0 bn	€39.1 bn	+63% (€15.1 bn)
Denmark	€1.5 bn	€2.5 bn	+63% (€1 bn)
Estonia	€o.6 bn	€0.9 bn	+49% (€0.3 bn)
Spain	€10.7 bn	€17.4 bn	+63% (€6.7 bn)
Finland	€2.0 bn	€3.2 bn	+63% (€1.2 bn)
France	€7.1 bn	€11.6 bn	+64% (€4.5 bn)
United Kingdom	€14.9 bn	€24.4 bn	+64% (€9.5 bn)
Greece	€4.0 bn	€6.6 bn	+63% (€2.6 bn)
Hungary	€1.1 bn	€1.7 bn	+51% (€0.6 bn)
Ireland	€1.1 bn	€1.9 bn	+64% (€0.8 bn)
Italy	€11.3 bn	€18.3 bn	+63% (€7 bn)
Lithuania	€0.5 bn	€o.8 bn	+59% (€0.3 bn)
Luxembourg	€0.2 bn	€0.3 bn	+67% (€0.1 bn)
Latvia	€0.3 bn	€0.4 bn	+60% (€0.1 bn)
Malta	€0.1 bn	€0.2 bn	+62% (€0.1 bn)
Netherlands	€4.3 bn	€7.1 bn	+64% (€2.8 bn)
Poland	€8.3 bn	€12.3 bn	+48% (€4 bn)
Portugal	€2.1 bn	€3.5 bn	+63% (€1.4 bn)
Romania	€4.1 bn	€6.4 bn	+55% (€2.3 bn)
Sweden	€1.2 bn	€2.0 bn	+64% (€o.8 bn)
Slovenia	€0.3 bn	€0.5 bn	+48% (€o.2 bn)
Slovakia	€1.6 bn	€2.5 bn	+60% (€o.9 bn)
EU27	€112.6 bn	€181.4 bn	+61% (€68.8 bn)

Source: Auction Revenues and Redistribution Analysis (Climate Action Network-Europe/Greenpeace, 2010)