

London, 24 July 2024

To the attention of:
Ms Ursula Von Der Leyen
The President of the European Commission

Dear Madame President,

On behalf of the Principles for Responsible Investment (PRI), I would like to congratulate you on your recent re-election as the President of the European Commission. I also want to encourage you to build on the legacy of the Green Deal and future-proof it to ensure Europe's lead in the transition to a global net zero economy.

As the CEO of the UN-supported PRI, an international network of more than 5000 signatories with USD 120 trillion assets under management, I see that investors understand the opportunities of Europe's transition to a climate-neutral, fair and competitive economy. To fully seize these opportunities, we need a supportive policy environment that provides businesses and investors with the confidence and certainty needed to make long-term investments.

Energy security, technology leadership and strategic autonomy are essential for Europe's economic success to lead the global race of developing sustainable industrial ecosystems and business models. A thriving circular economy, reducing energy and materials demand, and more diverse supply chains for critical raw materials will strengthen Europe's economic resilience. This will reduce the dependence on fossil fuels, the risks of carbon-lock in and misaligned investments hindering the transition. We welcome the EU's global climate leadership to phase out fossil fuels, triple renewable energy deployment and doubling energy efficiency rates globally by 2030.¹

Investors and business support EU-wide sectoral decarbonisation roadmaps² that specify technology pathways and investment needs, and policies that provide the right price signals and incentives for transition-aligned investments. These need to be accompanied by a rapid and robust implementation of the Fit for 55 package and setting a science-based 2040 climate target of at least 90% emission reductions to ensure long-term investment security.³

Enhancing energy security by transitioning to clean energy technologies provides substantial opportunities.⁴ We welcome the focus on competitive sustainability⁵ and plans to implement a Clean

¹ https://ec.europa.eu/commission/presscorner/api/files/document/print/en/ip_23_6053/IP_23_6053_EN.pdf

² https://www.corporateleadersgroup.com/files/2040_climate_target_business_letter.pdf

³ <https://www.unpri.org/policy/implementing-a-2040-climate-target-for-a-competitive-and-just-european-green-deal/12242.article>

⁴ <https://www.iea.org/news/the-world-is-entering-a-new-age-of-clean-technology-manufacturing-and-countries-industrial-strategies-will-be-key-to-success>


⁵ <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=COM%3A2024%3A63%3AFIN>

Industry Deal to decarbonise and lower energy prices. Companies and industries in transition will benefit from accelerated investments in low-carbon technologies, grid infrastructure, and both technological and nature-based carbon removal solutions.

As a member of the EU Platform on Sustainable Finance, PRI actively supports the EU's sustainable finance framework.⁶ We welcome these integrated policies that enable investors committed to the net zero transition to align their capital flows and portfolio decisions accordingly. Our PRI 2030 EU Policy Roadmap⁷ outlines how to reduce duplication, harmonise and improve the effectiveness of the framework for a European financial system that rewards responsible investment, operates within planetary boundaries, and promotes equitable societies.

I would like to extend PRI's support for a prosperous and effective Green Deal that creates quality jobs and promotes the health and well-being of European citizens for a just transition where costs and benefits are equitably distributed and the most vulnerable are protected. I encourage you to build upon the success of your last term for a competitive and resilient European Union. PRI remains committed to fostering dialogue and collaboration to shape and execute a robust policy framework that empowers investors to drive the private finance necessary for the economic transition.

With best regards,



David Atkin
CEO

About the PRI

The Principles for Responsible Investment (PRI) works with its international network of signatories to put the six Principles for Responsible Investment into practice. Its goals are to understand the investment implications of environmental, social and governance (ESG) issues and to support signatories in integrating these issues into investment and ownership decisions. The PRI acts in the long-term interests of its signatories, of the financial markets and economies in which they operate and ultimately of the environment and society as a whole.

The six Principles for Responsible Investment are a voluntary and aspirational set of investment principles that offer a menu of possible actions for incorporating ESG issues into investment practice. The Principles were developed by investors, for investors. In implementing them, signatories contribute to developing a more sustainable global financial system. More information: www.unpri.org

⁶ <https://www.unpri.org/eu-taxonomy/platform-on-sustainable-finance-a-compendium-of-market-practices/12087.article>

⁷ <https://www.unpri.org/eu-policy/pri-2030-eu-policy-roadmap/12165.article>