

London, 22 January 2025

To the attention of:
Wopke Hoekstra
Commissioner for Climate, Net Zero and Clean Growth

Dear Wopke Hoekstra,

On behalf of the Principles for Responsible Investment (PRI), I would like to congratulate you on your appointment as the new Commissioner for Climate, Net Zero and Clean Growth. I encourage you to continue the excellent work of the previous Commission on providing an effective legislative framework for the European Green Deal, and to accelerate investments for a globally competitive, resilient and inclusive European economy.

Your mission is crucial to lead the implementation of the Fit for 55 framework for 2030 targets, enable clean technologies to flourish, boost a new green industrial strategy, and lay the tracks for a fair social transition to European climate neutrality for all. Companies and investors need reliable long-term policy conditions and regulatory certainty for a post-2030 framework to ensure market confidence. This entails consistent and predictable carbon pricing signals, upscaling of renewable energy and grid infrastructure, fiscal and tax incentives for net zero investments and circular economy approaches, phasing out fossil fuel subsidies, investment support mechanisms like the Innovation Fund, and a robust 2040 climate target combined with investment-ready implementation roadmaps.

As the CEO of the UN-supported PRI, an international network of more than 5000 signatories with USD 120 trillion assets under management, a significant proportion of which are based in the EU, I see that **investors understand the opportunities of Europe's transition to the world's first net zero economy**. To fully seize these opportunities, we need a supportive policy environment that provides businesses and investors with the confidence and regulatory certainty needed to make long-term investments.

Enhancing energy security and economic resilience by leading on clean technologies and shifting to more diversified supply chains [provides enormous opportunities](#). We welcome the new Commission's focus on [strengthening competitive sustainability](#) through decarbonisation and innovation, a Clean Industrial Deal to decarbonise and lower energy prices, and a Circular Economy Act to decrease resource dependencies, strengthen regional supply chains, and incentivise nature-positive business models that enhance biodiversity.

The business and the finance community alike [support sectoral decarbonisation roadmaps](#) that specify technology pathways, including investment needs, gaps, timelines, and public-private sector

attributions. Providing an enabling environment for transition investments also includes quick and effective implementation of the existing Fit for 55 policy framework and setting a 2040 climate target of at least 90% emission reductions for a [robust post-2030 policy architecture](#).

More private finance is needed to bridge the transition investment gap, [estimated](#) at EUR 750-800bn a year. Accelerating transition finance will require a transition-enabling environment that combines real economy policy and incentives, transition-aligned public budgets, financial support, and derisking instruments to incentivise innovation, along with a strong sustainable investment framework to inform and guide private investment decisions.

As an active member of the Platform on Sustainable Finance, we continue to support the Commission in its efforts to streamline disclosure requirements and improve usability in a way that fosters regulatory stability and reflects the needs of responsible investors for transparent, timely, and relevant sustainability data to guide investment decisions. **We support targeted actions by the Commission to remove duplication and inconsistencies across the framework at the technical level, to facilitate implementation with guidance, and to integrate lessons learned from implementation.** The [PRI's EU 2030 Policy Roadmap](#) provides specific recommendations on how to improve policy alignment for increased effectiveness and usability.

I would like to extend the PRI's support for a prosperous and effective Green Deal, to create a competitive, resilient and inclusive net zero economy that benefits all parts of society. This can only work in close collaboration with all affected stakeholders, including industry practitioners, social partners, and financial market actors. I trust you will work successfully towards this objective in the next year, and I want to assure you that the PRI stands ready to collaborate and support you.

We would welcome the opportunity for a meeting to discuss our ideas.

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