



Dear Heads of State and Government,

Re. European Council 19-20 March, Energy Union discussion

As business leaders, we are of the firm opinion that an effective and forward-looking Energy Union will deliver major economic benefits to Europe, unlock new markets and opportunities for European business, while providing an affordable and reliable energy supply. Indeed, a strong Energy Union that puts in place a framework for delivering the transition to a low carbon economy and a secure, affordable and competitive energy system is vital for the future prosperity of the European Union.

Building an Energy Union could not come at a more critical time. The EU needs an energy system that is robust to geopolitical risks, unstable fuel prices, and an escalating climate crisis. We consider the answer to these challenges to be an integrated and interconnected energy market that is led by the equal aims of security and delivering low carbon, renewable energy and energy efficiency goals as specified in the 2030 framework.

The European Commission's Energy Union Package is an excellent first step. The Package shows that Europe is serious about securing and decarbonising Europe's energy supplies. In particular, the Commission should be commended for identifying both supply and demand side solutions. We are therefore asking that you are supportive of this Package at the European Council meeting on the 19-20 March and to strengthen it so that it ensures new flows of finance to low carbon infrastructure and reducing energy use.

Success will require mobilising public and private finance at scale. The EU needs to invest over €2.5 trillion in energy over the next decade by some estimates, the vast majority of which is needed for capital-intensive low carbon infrastructure, including power generation, storage, networks and energy efficiency. A European Energy Investment Strategy is needed to align existing schemes like the Capital Markets Union and Investment Plan for Europe behind the Energy Union's goals. It should also create the right environment to catalyse sufficient flows of private capital to low carbon infrastructure.

As leading businesses with a major stake in the European economy, we urge you to back this agenda and work with us to deliver a low carbon, resilient and affordable Energy Union.

Yours sincerely,

Acciona, Aguas de Portugal (ADP), Alstom, Barilla, The Prince of Wales's Corporate Leaders Group (CLG), Doosan, DSM, EDF Energy, Ferrovial, GlaxoSmithKline (GSK), Heathrow, Interface, Kingfisher, Mirova, Novo Nordisk, Philips, Sappi, finePaper, Thames Water, Unilever, United Technologies Corporation, Velux, We Mean Business (WMB).