AmCham EU
SPEAKING FOR AMERICAN BUSINESS IN EUROPE

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Investing in Europe's recovery: forging the future

The Green Deal: laying the foundations for the next generation

ISSUE

What our planet looks like tomorrow will depend on how we balance economic recovery and environmental protection today. The Green Deal needs to enable investments and deliver growth. We firmly believe that recovery investments should be targeted to the drivers of a genuinely sustainable growth. At the same time, a clear path towards more sustainable production and consumption should be defined working closely with business stakeholders, ensuring that consumers are empowered through this transition as well. Reducing greenhouse gas emissions and developing circular economy solutions is an economy-wide endeavour, and requires a policy framework enabling sustainable growth, the pursuit of competitive advantages and innovation.

PRINCIPLES

- **Transparent, evidence-based and scientific policymaking:** Transparency is a prerequisite for data-driven policymaking and is essential to create the most efficient and effective solutions to address climate change, circular economy and sustainable chemicals. All aspects of the Green Deal should be science-based, relying on coherent and evidence-based policy instruments. The EU's aspiration for a greener future should be subject to a thorough impact assessment that takes into account state-of-the-art technology as well as the availability of economically-viable solutions and the infrastructure needs of the market.
- **Preservation of established norms which are effective:** Policymakers should take steps to identify, safeguard, and leverage existing principles and legislation that have fostered competition and market efficiency to help the EU adapt to a 'green deal' reality. It takes time to implement previously agreed targets, and constantly 'moving the goalposts' can be both costly and wasteful. There are big differences between industries and sub-sectors, so it's important to allow scope for flexibility in determining how best to achieve an objective. Additionally, the best path to such a profound transformation is an economy-wide approach that offers flexible, market-based efficient and cost-effective solutions.
- **Regulatory certainty and economic stability:** It is essential that the EU supports a coherent, holistic and long-term framework to enhance sustainable growth, including clear and objective definitions of 'green', without which investors would lack regulatory certainty. In the interest of financial and economic stability, preventing complex defaults or market risk must be taken into account as a prerequisite for sound action.
- **International cooperation and openness:** The EU's flagship Green Deal must demonstrate global leadership in addressing climate change. The ambitious energy transition targeted in the Paris Agreement requires the mobilisation of global financial markets and global cooperation among countries and regions. The Green Deal also requires international cooperation. We recommend that EU initiatives take an open and outward-looking approach to ensure equal and non-discriminatory access for third-country financial institutions, businesses and investors.