

13 December 2022

**OPEN LETTER TO HEADS OF STATE AND GOVERNMENT: ENERGY SECURITY**

As the CEO of the Institutional Investors Group on Climate Change (IIGCC), I am writing to underline our strong support for the EU's robust and ambitious approach to the ongoing energy security crisis which puts energy independence, affordability and emissions reductions at its heart.

Despite the disappointing outcome of COP27, the [science has never been clearer](#) that action to tackle climate change must be urgently stepped up if we are to avoid the worst damages brought by a world which warms more than 1.5°C. At the same time, Europe's most vulnerable must be supported as market turbulence leads to a spiralling cost of living.

Investors understand that these myriad challenges do not present a zero-sum game; instead, we see win-win solutions to foster long-term energy security and affordability as well as reduce Europe's emissions. Investors must remain part of the solution: the public purse will not be sufficient to fund the net zero and climate resilient transition. And neither should it be, given the innumerable financial and economic opportunities – whether they be technological, operational or market-based.

However, what investors need to go further and faster in supporting Europe's clean, secure and affordable energy transition are the right enabling policy frameworks with clear political and policy direction set for years and decades to come. Such direction can unlock significant private capital to scale up and accelerate the greening of Europe's energy system, with all the knock-on benefits relating to energy independence, job creation and public health that this entails. This is why I have [written over previous weeks to the co-legislators](#), setting out that the EU must reach rapid agreements on key files which are consistent with net zero emissions, and which integrate the REPowerEU plan in order to leverage widespread energy security and affordability co-benefits.

As Europe faces a challenging winter, now is the time for Leaders to reaffirm clearly that the climate transition is the strongest solution to today's challenges and commit to redoubling efforts for the rapid agreement of critical legislation. In anticipation of clearer signals from policymakers, investors' eyes will be firmly on the December European Council and the discussions which follow into 2023. The hope is for outcomes which drive real and significant progress by 2030 and beyond. We count on your leadership and look forward to continuing to support your efforts. There is no time to waste.

On behalf of IIGCC,



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**About the Institutional Investors Group on Climate Change (IIGCC)**

IIGCC is the leading European membership body for investor collaboration on climate change and the voice of investors taking action for a prosperous, low carbon future. IIGCC has more than 375 members across 24 countries, representing over €60 trillion in assets under management. We play a leading role in a number of net zero alliances and corporate engagement initiatives, including [the Paris Aligned Investment Initiative](#), [Net Zero Asset Managers Initiative](#), and [Climate Action 100+](#).

***Disclaimer:** This letter was developed in collaboration with a number of IIGCC members but does not necessarily represent the views of the entire membership, either individually or collectively.*