









Warsaw, Sofia, Prague, Budapest, Bratislava 24 March 2021

Dear President von der Leyen, Dear President Michel,

We would like to thank you and your teams for all the engagement with regard to preparing the documents leading us to the more ambitious 2030 target, as well as preparing the new draft legislation for its implementation. In December 2020 at the European Council your work has largely contributed to the agreement on the new 55 % target and also on the initial guidance for its implementation. Therefore, a set of fair and balanced legislative proposals is crucial in order to succeed with its implementation on EU and Member States level. We have full confidence and trust in you that you will deliver a package which is truly "fit for 55".

Among the cornerstones of the EU climate policy are principles of fairness, solidarity, fair burden sharing of emission reductions, as well as respecting different starting positions and specific national circumstances of each Member State. The central element of this approach in sectors not covered by European Emissions Trading Scheme (non-ETS) is the differentiation of national emission reduction targets. Those targets have been set up according to the principle of fairness taking into account GDP per capita of all EU Member States.

His Excellency Mr. Charles Michel President of the European Council

Her Excellency Mrs. Ursula von der Leyen President of the European Commission Brussels There are multiple reasons why we should keep the existing distribution key. Firstly, the principle of fair burden sharing in non-ETS was critical to gain public and political acceptance each time when a new EU overall target was introduced. Secondly, we should not change one of the most fundamental rules during the implementation period, which, in this case, has already started.

The European Council in December 2020 did not establish a completely new overall target, but increased an existing one with precisely defined cornerstones that shall be preserved. There are economic and social reasons for that. The Member States that were allowed to increase their non-ETS emissions until 2020 are in more difficult starting position compared to Member States which are already on emission reduction paths because they need to make a considerable shift in their non-ETS emission trajectories between both periods (2013-2020 and 2021-2030). Changing the rules could increase the risk of energy poverty in low-income Member States. Without maintaining the existing rules low-income Member States would have to make substantially more emission reductions than high-income Member States. This could put their growth and economic recovery at risk. The principle of cost-effectiveness must not be interpreted in a manner that results in putting an unfair amount of the effort on low-income Member States and make the high-income Member States achieve less than their capacity.

Therefore, it is of crucial importance to preserve the existing and well-established rules in defining national emission reduction targets in the ESR sectors. For this reason, Madam President, we would like to ask the European Commission to provide the Members of the European Council in due time with an appropriate assessment of maintaining the current methodology before it concludes on the further guidance for the implementation of 2030 target in accordance with the European Council conclusions from December 2020. We are of the opinion that the European Council must, as soon as possible, possibly in April, provide further guidance on this important issue in order to ensure that the agreed guidance are duly reflected in the "Fit for 55" legislative package to be published already in June.

We are also sceptical regarding changing the scope of ESR. If transport and buildings were to be moved to an emission trading scheme with a separate carbon price, there would be an increased risk of deepening energy poverty in the EU which currently affects 34 million people. They should not be left behind in this transition. A uniform price across the EU would disproportionally burden the lower-income Member States. It would be in addition very challenging to find an appropriate carbon price for all Member States.

Therefore, any change of scope of the ESR should be accompanied by appropriate support instruments that will mitigate the risk of energy poverty growing in the EU. Moreover, environmental and economic efficiency also needs to be carefully assessed since the transport and buildings sectors seem to be quite unresponsive to the carbon price.

The IA published by the European Commission in September 2020 has shown that lower-income Member States will be more disproportionately affected. Yet we cannot build a new sustainable future at the cost of the most vulnerable citizens who are supported by governments with less capacity than others to assist them. This is a matter of fairness and solidarity, as well as keeping everyone on board.

We sincerely hope that you will take this appeal into consideration.

Yours sincerely,

Mr. Mateusz Morawiecki

Prime Minister of the Republic of Poland

M. Morumeda-

Mr. Boyko Borissov

Prime Minister of the Republic of Bulgaria

Mr. Andrej Babiš

Prime Minister of the Czech Republic

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Mr. Viktor Orbán

Prime Minister of Hungary

Mr. Igor Matovič

Prime Minister of the Slovak

Republic