

Brussels, 7 July 2025

Subject: European Commission should maintain a horizontal target for climate and environmental investments in the post-2027 MFF

Dear President Von der Leyen,
Dear Executive Vice-Presidents and Commissioners,

On behalf of 63 businesses, associations, think tanks and civil-society organisations across Europe, we urge you to maintain a horizontal spending target for investments in climate and the environment in the post-2027 Multiannual Financial Framework.

In its February 2025 [Communication](#), the Commission emphasised the need for a simpler, more focused and more impactful EU budget. The publication of the [Clean Industrial Deal](#) and the announcement of a European Competitiveness Fund are also promising signals that the EU prioritises investments for a decarbonised economy to regain global competitiveness.

A horizontal spending target for climate and the environment is the simplest yet most powerful way to ensure that the EU continues to channel funds into projects that drive the clean industrial transition and strengthen Europe's resilience.

The current MFF sets important benchmarks: at least 30% of overall spending is dedicated to climate action, with a complementary biodiversity target. Thanks to this commitment, the EU budget has co-funded more than [11,000 projects](#) promoting a low-carbon economy since 2021. Those projects range from investments into energy efficiency to the EU's circular economy or electrification of transport modes and drive business innovation across the EU.

The rollout of clean energy - including renewables, smart grids, and energy-efficient infrastructure - requires [sustained investments](#) to reduce price volatility and security risks caused by oil and gas imports. At the same time, public investments must also safeguard biodiversity and the ecosystem

services on which European businesses and communities depend. Europe's companies and investors need certainty that the financing landscape will continue to support these priorities. By maintaining and reinforcing horizontal targets for climate and the environment, the EU can ensure that every euro delivers maximum impact.

Climate investments underpin Europe's competitiveness and growth. Green investments have a [higher return on investment](#) than non-green expenditure. They yield faster, more sustainable productivity growth while enhancing economic and physical climate resilience. Strong horizontal spending targets would also enable the European Commission to leverage the EU budget to attract more private capital and attract innovators and talent from other parts of the world as Europe continues the transition.

Europe is the fastest-warming continent in the world and shifting resources away from climate mitigation and adaptation at this stage would further increase our vulnerabilities from the climate and security nexus. Without decisive action, climate risks, exacerbated by biodiversity loss, will raise the [cost of inaction](#) and severely impact European businesses, jeopardising long-term prosperity, employment, and working conditions.

For all these reasons, we respectfully call on the Commission to maintain and strengthen a horizontal spending target for climate and the environment in the next EU budget. Doing so will send a clear, unambiguous signal that Europe remains committed to leading the global transition to a climate-neutral and nature-positive economy.

Yours sincerely,

The undersigned





