

March 9, 2021

The Honorable Joseph R. Biden
President of the United States
The White House
1600 Pennsylvania Avenue, NW
Washington, D.C. 20500

Dear Mr. President,

As you prepare to host the Leaders' Climate Summit on April 22, 2021, we want to share the CEO Climate Dialogue's (CCD) support for setting an ambitious U.S. Nationally Determined Contribution that would ensure the country is on a path to achieve net-zero greenhouse gas emissions across the economy by 2050 with aggressive near and mid-term emission reductions commensurate with this goal.

The CCD is a broad-based, cross-sector coalition of 22 leading businesses and 4 of the country's top environmental NGOs committed to advancing climate policy in the United States. While we represent a broad array of sectors across the U.S. economy—oil and gas, utilities, agriculture and food, automotive, chemicals, manufacturing, and financial services—we are united by the recognition that the economic, health, and environmental risks posed by climate change make it one of the greatest global challenges of our time.

The CCD sees ambitious climate action to reduce US greenhouse gas emissions in line with achieving net-zero emissions across the economy by 2050 as critical to the long-term health of the U.S. economy. We believe that the U.S. NDC should establish an ambitious 2030 emissions target commensurate with this goal. Doing so will elevate the role of the US as a climate leader, accelerate the transition to a low carbon economy, bolster investment and innovation in clean energy technologies, increase U.S. economic competitiveness, create American jobs, and motivate other nations to achieve net zero emissions. We support actions to achieve these goals consistent with the CEO Climate Dialogue principles:

- **Significantly reduce U.S. greenhouse gas emissions** so that the U.S. is demonstrably a leader on global efforts to effectively limit climate change. Specifically, U.S. policy should ensure the country is on a path to achieve net-zero emissions across the economy by 2050 with aggressive near and mid-term emission reductions commensurate with this goal.
- **Be Effective:** A key test of any climate policy is whether it will deliver timely emissions reductions across the economy and includes mechanisms that provide certainty that emission goals are met. The timeline for reductions must allow capital-intensive industries to adjust in an economically rational manner. Policies must encourage investment and planning decisions consistent with the timeframes needed. Policies must focus on emissions reductions outcomes, not specific resources or technologies.
- **Be Market-based:** An economy-wide price on carbon is the best way to use the power of the market to achieve carbon reduction goals, in a simple, coherent and efficient manner. We desire to do this at the least cost to the economy and households. Markets will also spur innovation and create and preserve quality jobs in a growing low-carbon economy.
- **Be durable and responsive:** Well-designed and stable policies will deliver predictable results and increase public support over time, providing durability across time and political cycles.

Policies should be adaptive over time in terms of pace and scope of reductions as our understanding of climate change, policy impact, and technological changes evolves.

- **Do no harm:** Policies must support the competitiveness of the U.S. economy. Policies must address emissions leakage that can undermine climate objectives. Policies must also safeguard against negative impacts on biodiversity, land and water.
- **Promote equity:** Unabated climate change is a major threat to the U.S. economy. Therefore, policies to address climate change, which may also entail some cost, must provide transparency and promote affordability while distributing costs and benefits in such a way that promotes equity. Policies must include mechanisms to invest in American workers, and in disadvantaged communities that have the least resources to manage the costs of climate change.

The targets and goals set forth in the NDC will create the foundation for U.S. climate action in the coming years, and it is critical that America's climate ambitions align with the urgent needs of the climate crisis. As a cross-sector coalition of leading businesses and NGOs, the CCD looks forward to working with your administration, the Congress, and all stakeholders to ensure action is taken to enact climate change solutions this year.

Sincerely,

