

**Subject line: Call for regulatory certainty and effective implementation**

**Brussels 10 March 2026,**

Dear EU Heads of State and Government,

Discussions on European competitiveness are increasingly framing deregulation as a tool to complete the Single Market, as also highlighted during the EU leader's retreat a few weeks ago.

On behalf of the Electrification Alliance, we would like to share some concerns over this trend. While there often are opportunities for optimisation, the broader simplification effort must be balanced against the equally critical need for regulatory stability, clarity, and long-term predictability for investors and project developers.

Recent policy debates, including the proposed changes to car CO2 emission standards, weakening the 2035 zero-emission target to a 90% reduction, illustrate this. By allowing continued manufacturing of combustion engines and plug-in hybrids after 2035, the proposal creates uncertainty for investors across the electric mobility value chain. Long-term investment and system planning decisions are based on clear electrification trajectories. If these signals become uncertain, investments risk being delayed or redirected, and overall system planning also becomes more complex.

Looking ahead, discussions about possible changes to the EU electricity market design illustrate another potential risk. Premature alterations to market fundamentals could stall investment in clean electricity projects, infrastructure and services, slow the rollout of direct electrification, and undermine efforts to bring down costs for consumers and industry.

Simplification should focus on timely, smarter and more effective implementation. The priority should be the full and consistent implementation of agreed legislation and policies, including the Clean Energy Package, the Electricity Market Design, the Renewable Energy Directive, the Action Plan for Grids and the European Grids Package across all Member States. Among others, this is essential to avoid penalising the frontrunners who have anticipated, prepared for or already invested in the transition, and to ensure that decisive action is rewarded rather than undermined

Equally important, a stable, predictable and well-functioning EU ETS framework provides technology-neutral investment signals that support long-term system planning. Preserving regulatory certainty, including with the timely implementation of ETS2, will maintain investor confidence, accelerate direct electrification and reduce structural dependence on fossil fuels.

Clean, direct electrification remains the most cost and resource effective pathway to decarbonisation today, delivering both emissions reductions and energy efficiency gains faster than alternative solutions. Regulatory uncertainty risks delaying this transition, increasing costs, and undermining Europe's ability to meet its energy and climate objectives.

We thank you for your attention and urge you to prioritise regulatory stability and effective implementation.

Sincerely,

The Electrification Alliance  
**ELECTRIFICATION**  
ALLIANCE

