

I Press Release

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Energy 2030 & European Industrial Renaissance: Unilateral climate action contradicts 20% industrial target

EUROCHAMBRES is critical of the incoherence between the communications on industrial policy and energy 2030 presented today by the European Commission, arguing that they reveal a lack of governance and coordination between the adminstration's services.

Energy targets must not hamper growth

"Global warming deserves our full attention. But unilateralism will simply drive energy-intensive industries out of Europe, damaging the EU's entire economy. Therefore, a new CO₂-target must reflect whether or not a binding international climate agreement is reached in 2015. Without creating a global level-playing field, a target of 40% or above would undermine any efforts to reindustrialise Europe", stated Arnaldo Abruzzini, Secretary General of EUROCHAMBRES.

Regarding the proposed **ETS-reform**, EUROCHAMBRES welcomed that no further interventions in the EU-ETS are planned before 2021, but criticised the plans for a future allowance reserve. The implementation of this proposal would clearly undermine the market-based charcteristics of the ETS, which would effectively evolve into a CO₂ tax.

Chambers welcomed that the Commission abstained from proposing a binding **energy efficiency** target for 2030. Energy efficiency has to be achieved through economic necessity, rather than mandatory requirements. A new rigid ceiling on overall energy consumption is inappropriate given that economic trends lead to fluctuations in consumption.

Industrialisation and competitiveness interchanged

Having sent a strong signal of intent in 2012 by setting a 20% GDP target for EU industry, the new communication for a European Industrial Renaissance lacks specific or tangible ideas. It also interchanges the notions of industrialisation and competitiveness. In this context, it is perhaps unsurprising that the Council has decided to delay a discussion on industrial policy, which is nonetheless regrettable.

"By cancelling the European Council of February on industrial policy, the Member States sent a message that manufacturing is not at the heart of the EU growth strategy. This vague new Commission communication does nothing to alter that perception," added Mr Abbruzzini.

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For more information, read EUROCHAMBRES' position paper "Ten Point-Programme for a stronger industrial base of the European economy"

Read EUROCHAMBRES' open letter to European Commission President, Mr Barroso, on <u>EU</u> energy and climate targets for 2030

Or register to EUROCHAMBRES' event "Towards a business-friendly EU climate and energy policy"

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