IFIEC Europe welcomes you

To the Ecofys EU-ETS presentation
The inconvenient truth

The impact of the Commission’s ETS proposal, and IFIEC’s response

Hans Grünfeld – president IFIEC Europe
Brussels, 17 April 2008
IFIEC Europe

- Federation of national industrial energy consumer associations in the EU
- Representing a.o. chemicals, steel, non ferrous metals, pulp & paper, glass, ceramics, cement and industrial gases
- Covering 15 EU countries with others waiting to join when they conform
- Member of IFIEC World - a UN-recognised international NGO

Internationally accredited federation with exclusive focus on industrial energy consumer interests
Mission

Actively engage in dialogue with EU-decision makers, with the aims of:

- contributing to the creation of an integrated competitive EU energy market
- ensuring access to secure and fairly priced electricity and natural gas infrastructures
- promoting cost-effective energy efficiency improvement and CO₂-emission reduction
- securing an effective position for IFIEC in the EU decision-making process
Climate change concern
Global CO$_2$-emissions
EU target

-20%?
-14%?
Prime target ETS

(Energy-intensive) industry

Power sector
Major CO$_2$- sectors outside ETS

Transport

Buildings
The carbon paradox (1)

Emission reductions from carbon efficient leaders inside EU...

...accelerates growth of less carbon efficient industry outside EU
The carbon paradox (2)

Low price elasticity household electricity use does not automatically...

...translate price increase into electricity efficient behaviour
Risks

- High electricity prices
- Carbon leakage
- Energy poverty
- Windfall profits
IFIEC Europe’s proposition: effective and efficient ETS design

- With CO₂ emission reduction cap
- With strong incentives for efficiency growth and innovation
- Without windfall profits
- Without major carbon leakage
- Without charging consumers and industry tens of billions of Euro’s
Agenda

10.30 am  Registration and coffee

11.00 am  Welcome and introduction
            IFIEC Europe

            The IFIEC method for the allocation of CO2-
            allowances in the EU Emissions Trading Scheme. A
            review applied to the electricity sector
            Ecofys

            The way forward to a more efficient and effective
            EU-ETS, IFIEC Europe’s views
            IFIEC Europe

12.00 am  Discussion

13.00 am  Buffet lunch

14.00 am  End meeting
Ecofys study

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