

## The EU refining industry presented during the 2<sup>nd</sup> Refining Forum its Call for Action ‘Four keys to unlock EU growth: Let’s use them now!’

### PRESS RELEASE

**Brussels, 27 November 2013:** At the 2<sup>nd</sup> Refining Forum chaired by DG Energy, the European refining Industry urged EU Leaders to take urgent action to tackle the competitive issues facing EU industry, including refining.

During the 2nd Refining Forum which convened a broad panel of Member States, Commission, Industry, experts such as the IEA, and other stakeholders, several Member States including Italy, Spain, France, United Kingdom, Germany, Greece and Ireland expressed their concerns about the situation of the European Refining Industry,

Martin Carlson, member of their Executive Committee speaking on behalf of the European Refining Industry (EUROPIA) stated that “*The world economy is growing again after the economic crisis which started in 2008. Europe, however, is lagging behind*”, and similarly highlighted that this situation is mirrored in EU refining with 15 refineries shut down over the past five years (2008-2013) leading to 8% capacity reduction, affecting an estimated 10,000 direct high-skilled jobs and 40,000 indirect jobs, He stressed that “*A healthy Refining sector is vital to the EU economy, not just in providing over 90% of all transport fuels and in the value chain of other key sectors such as petrochemicals, but also for supply security to EU consumers*”.

As EU leaders prepare to debate and set the future policy framework in early 2014, EUROPIA calls on them to make a real difference before it is too late with comprehensive Action Plan with four keys to unlock EU growth:

- **The first key is Balance:** Successfully managing the long transition to a competitive low carbon economy is vital to maintain a competitive Europe throughout and requires equal weight be given to 3 pillars, sustainability, competitiveness and security of supply. Commission’s own numbers highlight that 24 million jobs could be at risk in the Energy Intensive Industries unless this transition is managed carefully and these industries are allowed to adapt at a pace consistent with technology advancement and economic reality.
- **The second key is Evaluate:** The “evaluate first” principle should be consistently applied into policy making, using evidence and science as a basis for policy. Open and transparent impact assessments should systematically include competitiveness proofing. Promoting R&D, then allowing all technologies to compete on their merits will encourage economically sustainable industries and products to develop.
- **The third key is Access** to competitively priced energy and raw materials, both vital for the EU. Energy costs for US refiners are half those in the EU. Many US refineries also enjoy access to cheaper feed stocks. The EU should seek to create the conditions and remove the obstacles for access to diverse and competitively priced energy and raw materials. This means working with international partners, in for example the TTIP, and not implementing ill-conceived measures, such

as Art.7A of the Fuel Quality Directive with no benefit for the global environment but which would jeopardise €25B of products trade with a secure supply partner.

- **The fourth key is Realism:** a coherent 2030 framework should take a thorough and pragmatic look at the lessons learned from the 20/20/20 by 2020 package and the changes that have occurred in the world since 2008. The real impact and quality of employment gains/losses should be assessed and as the economy develops, we should ensure that new jobs create the same skilled employment and value for the economy. Mitigation of the risks of carbon leakage caused by EU policies must continue for exposed sectors such as Refining.

Martin Carlson concluded that *"We are convinced that EU industry collectively can be the key vector to support European society to emerge from the crisis by creating economic value and employment for its citizens sustainable in the future"*.

-- ENDS --

Attachment: EUROPIA Call for Action

EUROPIA, representing the European Petroleum Industry, is the single voice the European Refining & Marketing Industry, the downstream sector of Europe's oil industry.

EUROPIA is a non-profit organisation and whose 43 members account for almost 100% of EU petroleum refining capacity and more than 75% of EU motor fuel retail sales.

EUROPIA aims at contributing pro-actively and constructively to the development of policies to safeguard the secure and sustainable manufacturing, supply and use of petroleum products by providing competent and expert advice to the EU Institutions, Member State Governments and the wider community.

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