

## Creating an attractive investment framework in the EU is chief to successfully achieve the bloc's industrial transformation towards carbon neutrality

**Brussels, 21 January 2020:** The third Expert meeting of EU Refining Forum, which took place in the premises of the EU Commission, recognised the fundamental role of Energy Intensive Industries (EII) in industrial value chains and highlighted the reference work developed in the Masterplan as a key contribution to the upcoming EU Industrial Strategy. Attracting investments for this industrial transformation will be paramount. Commission and taxonomy experts clearly stressed that the sustainable finance policy is not intended to restrict investment in some sectors. Converging calls nevertheless requested definitions of sustainable finance and climate-neutrality to be consistent throughout the EU to allow a clear and progressive understanding. Finally, Member States and industry called for the continuation of the Refining Forum for the coming years.

Acting Director Energy Policy at DG Energy, Paula Pinho stated at the 3<sup>rd</sup> Expert meeting of the Refining Forum *“Energy Intensive Industries are at the heart of the EU value chains and their products are needed for low-carbon solutions enabling the transition to climate-neutrality”*. Paula Pinho furthermore emphasised the importance of the industrial transformation required during the next decades to achieve the EU's ambition to become the first climate neutral region by 2050.

Mr. Titas Anuskevicius, Policy Officer - Resource Efficiency and Raw Materials at DG Grow, added that this industrial transformation would not happen without a vibrant and competitive industrial value chain. He commented *“Energy Intensive Industries are enablers for the transition of other sectors, and many key value chains rely on them.”* He added that the work produced in the Masterplan by the Commission High Level Group for EIIs resulted in a significant number of recommendations which will be reflected in the upcoming EU Industrial Strategy expected to be published in March 2020. Jori Ringman, Director General CEPI stressed *“reaching the 2050 objectives is a real challenge but that this also represents an opportunity and that is why EIIs are all working on it.”*

Member States welcomed the Masterplan and its conclusions and commented that this industrial transformation will require substantial investments. They called for an investment attractive EU, a recalibration of the State Aid principles to enable financial support for the creation of markets to accelerate demand for low-carbon products. Member States also underlined the importance of the development of low-carbon fuels, such as e-fuels, hydrogen or bio-based fuels. Member States finally called for the continuation of the Refining Forum as an important platform to monitor the evolution of the refining Industry.

Whilst Martin Koch, Policy Officer at DG Fisma, underlined that Taxonomy is a dynamic matter which will be subject to regular reviews and updates to take in consideration changes in technologies, science and new activities, Helena Vines Fiestas, BNP Paribas Expert member of the working groups, stated *“the idea that Taxonomy will restrict investments in some sectors is false.”* Deputy Head of Unit at DG Energy, Tom Howes, stressed on the importance of establishing a clear sustainable capital framework, whereas Hugo Sietses, ExxonMobil, also underlined that *“the industry has to have a seat at the table and all sectors likely to contribute now or in the future should be involved.”*

John Cooper Director General FuelsEurope complemented the latter by cautioning against the adoption of conservative or too narrow definitions for sustainability in finance which could limit the huge investments required.

John Cooper added *“a transition is complex, it requires investments to be attractive, industries to be competitive within a stable policy framework, to produce products that are attractive for the customers.”* John Cooper furthermore stressed that the refining industry is actively debating those aspects within its membership.

Lukasz Kolinski, Head of Unit at DG Energy, concluded *“Achieving climate neutrality is work in progress. It will require for industry a holistic approach, encompassing the supply of low-carbon products but also the creation of lead markets. The Commission Green Deal is the coherent framework set to deliver climate neutrality by 2050, with strong support for R&I and substantial investments capabilities”.*

John Cooper finally thanked DG Energy for organising this Expert meeting of Refining Forum and repeated his call for the continuation of the platform in the future.

- Ends -

#### FuelsEurope, the voice of the European petroleum refining industry

FuelsEurope represents with the EU institutions the interest of 40 companies operating refineries in the EU. Members account for almost 100% of EU petroleum refining capacity and more than 75% of EU motor fuel retail sales.

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- Contribute in a constructive way to the development of technically feasible and cost effective EU policies and legislation.
- Promote an understanding amongst the EU institutions and citizens of the contribution of European Petroleum Refining and Distribution and its value chain to European economic, technological and social progress.

Contact : **Alain Mathuren**

T +32 2 566 91 19

[alain.mathuren@fuelseurope.eu](mailto:alain.mathuren@fuelseurope.eu)

[www.fuelseurope.eu](http://www.fuelseurope.eu)