

Press Release

Eurogas welcomes the Green Paper but more concrete action is needed

Investment in the much-needed low-carbon technologies is not forthcoming. Biogas and natural gas offer a real and valuable contribution to Europe's energy supply and the environment, and although millions of customers appreciate and enjoy the fuel's cleanliness and convenience, new investment is low. The Green Paper on "A 2030 Framework for Climate and Energy Policies" published by the Commission on 27 March 2013 goes a long way in addressing this.

"Non-subsidised low-carbon investment is not forthcoming and the only way out is for clearer policy signals," says Beate Raabe Secretary General of Eurogas. *"The Green Paper is a good first step and asks the right questions. It remains vital to reduce carbon dioxide emissions cost effectively at all times as the key part of a long-term and predictable energy and climate policy, rather than focusing on certain technologies and missing out on the potential of others, a more definite legal framework is therefore necessary and must come fast,"* explains Ms Raabe.

Eurogas advocates a cost-effective energy and climate policy for Europe that is based on the following elements and principles:

- An overall greenhouse gas emissions reduction (GHG) target of at least 40% below the 1990 or base year levels.
- A technology-neutral approach both in Emissions Trading System (ETS) and non-ETS sectors that provides the flexibility to make use of all current and future low-carbon technologies in the most cost-effective way.
- Structural reform of the EU ETS; in practice, two of the options identified in the Carbon Market Report are key to this: Option B: Retiring a number of allowances permanently in Phase 3 and Option C: Early revision of the annual linear reduction factor.
- With this approach, cost-effective measures for energy efficiency will be taken automatically, the share of cost-effective renewable energy will grow naturally, and the cost associated with a gradual phase-in of normal market and system obligations for electricity from renewable energy sources will be internalised.
- Support schemes should target research and innovation work for promising but undeveloped low-carbon technologies.
- Market distortions and incoherent or undue overlapping policy instruments should be avoided wherever possible.
- Last but not least, the EU GHG reduction target and the EU effort should be part of a global, international effort for climate action to be successful.

The Green Paper is only a first step. Eurogas will participate in the consultation process and urges the Commission to publish more definite legislative proposals as soon as possible.

Note to Editors: Eurogas is an association representing about 50 companies and associations engaged in the wholesale, retail and distribution of gas in Europe. Eurogas provides data and information relevant to EU decision makers and opinion formers in making the right policy choices. **Press contact:** Tracey D'Afters, tracey.dafters@eurogas.org, tel. +32 2 894 48 05. Eurogas, Av. de Cortenbergh 172, B-1000 Brussels, www.eurogas.org