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## Euromines Position with regards to the Energy Efficiency Directive

Euromines welcomes the Commission's proposal aiming to promote energy efficiency within the European Union. However, the rules aiming at removing barriers and overcoming market failures should not lead to an overall increase in pressure and economic, social and environmental costs that might subsequently undermine the fundamental principle of sustainable development by making impossible to serve the essential needs of mankind at present while protecting and ensuring the needs of future generations.

It is our strong conviction that one of the main purposes of the energy efficiency directive should be to ensure an integrated approach to **consistency, stability and predictability** along the whole value chain by taking into consideration the following aspects:

### **1. An accurate definition and an appropriate methodology for evaluating "energy efficiency"**

The energy efficiency should be defined and measured by taking into consideration the industry response to the actual dynamic market demand and supply balance. Decisions favouring investments in technology and innovation increasing energy efficiency, the amount of energy consumed per individual product/service as well as the GDP/capita should be taken into consideration when measuring energy efficiency.

Targets should be indicative, not binding. Placing a linear, absolute binding energy consumption cap on the industry without taking into consideration the other factors influencing energy efficiency should be avoided. The targets should be flexible and rather based on the industry specific overall actions, the effectiveness in taking early action to avoid energy loss, generating economic growth, creating jobs and making investments especially in technology and innovation.

### **2. The overall energy efficiency rate along the value chain**

Instead of introducing an absolute energy consumption cap, the directive should rather concentrate on providing for the increase in the energy performance along the whole life cycle of a product. For example, high energy consumption in the early life cycle stages of a product might lead to a decrease in energy consumption later in the production processes, thus resulting in an overall increase of the energy performance, measured as the ratio between the useful output of the end-use product and the associated energy input.

### **3. The physical and chemical characteristics of each product**

For several products a decrease in energy consumption is only possible up to a certain point after which their chemical and physical characteristics would be negatively affected leading to a decrease in the product quality or even safety. For example, process emissions are generated through chemical reactions among raw materials used in the production process. These emissions, strictly correlated to the production level by a multiplication factor are unavoidable.

### **4. Local and regional characteristics**

EU universally applicable rules and requirements should be assessed against local suitability, as most of them already have a local, national or regional dimension. So far, the current Directive in force has been successful especially because it has allowed Member States to make use of their national specificities and strategies. Therefore, the directive should leave it up to the member states to decide how they meet energy efficiency targets.

Even more, the rate of energy efficiency changes should be calculated at a company, sectoral and at Member State level as all these are dependent on the regional energy mix, the economic and social development as well as the local priorities and potential.

#### **5. The EU energy policy mix**

It is our belief that the different EU energy related pieces of legislation should avoid overlapping, in particular when it comes to the relation among BATs, energy efficiency and/or the emissions trading system (ETS). They should complement each other in supporting the industry, not overburdening it.

Therefore we recommend that the ETS-related sectors be excluded from EED. The EED should only cover energy consumption that is not covered by any other EU legislation.

At the same time, the energy scientifically used under BAT requirements as an indispensable element for the physical and chemical transformation in the production process should also be exempt from the energy efficiency directive.

Euromines welcomes the European Union commitment to reduce greenhouse gas emissions by at least 40% domestically by 2030 (the sectors covered by the ETS to reduce their emissions by 43% compared to 2005) and is prepared to take all measures to ensure compliance with these absolute values. However, additional measures and policies focusing exclusively on the reduction of energy consumption would be counterproductive and increases the burden on the mining industry. Therefore, it is very important to ensure that the functioning of the EU ETS is not undermined by the energy efficiency strict, binding requirements.

#### **6. Investments in technology aiming at increasing energy efficiency**

Euromines believes that financial compensation measures are of utmost importance to increase energy efficiency. Energy intensive industries acting in the mining sector constantly have to improve their energy efficiency as they struggle to reduce a major cost via more efficient processes. A number of companies have made over the last few years major efforts to increase energy efficiency up to the level that technology and physics allow.

#### **7. The fields where energy losses are the highest, such as transportation and buildings**

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#### **About Euromines**

Euromines, the European Association of Mining Industries, Metal Ores & Industrial Minerals, represents large and small companies and subsidiaries in Europe and in other parts of the world which provide jobs to more than 350,000 people. Through the activities and operations of these members, more than 42 different metals and minerals are produced. Their sustainable exploitation can increase Europe's supply of mineral resources, help ease imports from third countries usually applying lower environmental, corporate and social standards and foster the socio-economic growth of Europe's Regions. The European mining industry plays a crucial role in the EU ability to nurture sustainable growth including access to and supply of raw materials, providing over 30 million jobs and playing a key role in the development of modern environmentally friendly technologies.