

Press release on COP 22: Combatting global warming needs a competitive investment climate to enable innovative solutions

Brussels, 7 November 2016

COP 22 is starting beginning of November in Marrakesh. This time, the United Nations Framework Convention on Climate Change has to deliver results in designing the global implementation scheme of the COP 21 agreement. The climate action conference in Paris in Dec 2015, was indeed a great diplomatic success, because a huge number of countries supported the worldwide combat against global warming below 2 degrees Celsius. However, the commitments given by the various countries are very diverse, and the level of national contributions to actually combat climate change was left open.

Ahead of COP 21, IFIEC World issued a Manifesto highlighting that combating global warming can only be done in an efficient way by innovative technological solutions, developed by a healthy competing manufacturing industry. But COP 21 did not tackle the competitiveness issue: neither sanctions nor enforcement procedures are foreseen for countries which do not meet their announced commitments. And no control committee is defined. Therefore, EU industry is urging for comparable actions outside the EU, which would lead to a level playing field and restore EU industry's competitiveness.

IFIEC Europe's President, Annette Loske, stresses: "The EU manufacturing industry is an efficient solution provider to combat global warming. Obviously, reducing EU economic activity through higher energy or compliance costs is not the right way to proceed. COP 22 has now to bring competitiveness issues back to the attention, and to address the need for healthy investment climates and industrial innovations."

For the EU, investment leakage is a serious, unintended side-effect of unilateral costly climate actions. The global climate agreement should help to heal such side-effects by safeguarding a better level playing field of actions all over the world. But this will take time. Meanwhile, the issue of investment leakage must be seriously addressed, especially when designing the carbon leakage provisions for EU ETS post 2020.

For IFIEC Europe, the Marrakesh-COP will be considered a success only if it ensures that action will really take place globally, with comparable contributions for the most important competing regions in the world.

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IFIEC Europe, International Federation of Industrial Energy Consumers, represents European energy intensive industrial consumers where energy is a major component of operating costs and directly affects competitiveness.

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