

EDITORIAL

The EU's GHG Reduction Target: clarity needed, rather than the present confusion

On 5 July, the European Parliament in plenary session rejected the Bas Eickhout (Group of the Greens/European Free Alliance, the Netherlands) Report (on the analysis of options to move beyond 20% greenhouse gas emission reductions and assessing the risk of carbon leakage) by 347 votes to 258. The Parliament preferred to reject the report, which was to propose a move to a minus 30% greenhouse gas (GHG) reduction target in 2020 compared to 1990 level, because of certain amendments which, in the view of some MEPs, would have watered down the EU commitment.

The decision of the Parliament came after, in relation to the same topic, the European Council had failed to accept the Roadmap to 2050 proposed by the European Commission ([Roadmap for moving to a competitive low-carbon economy in 2050, COM\(2011\) 112 final](#)).

In the press, some articles accused an "undemocratic" "lobby fury" to be responsible for what they described as a missed opportunity.

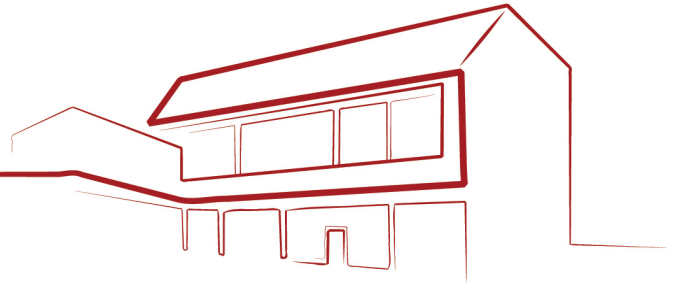
To Europeans who watch this from a layman's standpoint, there is understandably a lot of confusion about what this is all about and about the role of industry in this process. So, let us try and bring some much needed clarity.

The vote by the European Council was on a Roadmap to 2050 with intermediate goals set in order to attain gradually by 2050 a reduction of GHG emissions in the EU by 80% compared to 1990 level.

Industry felt that imposing such an overall reduction target, irrespective of the international context and of technological and financial means available, would not be acting responsibly. Targets have to be realistic or they will not be achieved and, when tackling a global problem like climate change, the overall picture must be kept in mind. A careful bottom up approach, sector by sector, based on a technological roadmap is the way to go ahead.

The debate which took place in the Parliament was related to another attempt to increase unilaterally the EU GHG reduction objective. Further to the European Commission's Communication (COM(2010) 265 final), analysing options to move beyond 20% GHG emission reductions and assessing the risk of carbon leakage published on 26 May 2010, the EP decided to issue an opinion on its "own initiative". This led to the Eickhout Report which has just been defeated in plenary.

What's likely to happen now? In the Council, there are clearly a number of Member States in favour of a stricter target. Hungary and Slovenia joined Denmark, France, Germany, Spain,



Sweden and the UK which all support a move to minus 30%. Even though Poland - the main opponent - shows reluctance to table such proposal during their Presidency in the 2nd half of 2011, it will be a difficult task for the country exercising the Presidency - a job that requires impartiality - to resist the pressure.

When deciding on the Commission's Work Programme for 2012, the European Parliament did not show too much anxiety to impose a tougher reduction. A motion introduced by the Greens (Group of the Greens/European Free Alliance) was rejected and there is no mention of this issue in the Commission's Work Programme for 2012.

Rather than accusing industry of undemocratic conduct, the press ought, in the first place, to insist on more clarity from the Institutions themselves. When one issue is discussed, the point to be decided should be clearly identified in one and not a host of different institutional contexts. That would help democracy.

Is industry to blame? Alexis de Tocqueville once wrote that democracy only works if one is prepared to stand for his (or her) own rights and interests. In the debate about whether or not to move to a stricter target, industry insisted on the need for predictability and certainty. Investment in manufacturing installations is always a long-term prospect. When everyone is struggling to meet an objective, changing the target does not help stimulate investor's confidence. In the steel industry there has not been a single greenfield project in the EU since 1990. The same can be observed in other key sectors like aluminium and glass. There is, unfortunately, a risk that it will also be verified in the cement industry.