



**Central Europe Energy Partners**  
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Central Europe Energy Partners (CEEP) is an organisation of companies and scientific institutions, mainly from Central Europe, involved in the energy sector within the European economy. It was established three years ago, (June 2010), and has got, right now, 19 members from 6 countries representing 330,000 employees, and an overall turnover in excess of Euros 34 billion. CEEP is very active at the EU level, (see the activities of CEEP on the website: [www.ceep.be](http://www.ceep.be) ).

CEEP's position on climate issues, set out below, represents the opinions of its members from the energy sector.

**“Consultation on the 2015 International Climate Change Agreement: Shaping International Climate Policy Beyond 2020”**

**1. General Remarks:**

**1.1. Actual situation**

The question of climate change is very important for us and for our future generations, and should be addressed, not only by the EU, but by all countries all over the world, especially from OECD countries and such big economies as China, Russia, Brazil, India (G-20), etc. When we write 'addressed', we have in mind, not only verbal declaration, but actual activity leading to CO2 emission decreases. Some countries are trying to take unilateral measures, but the results are meagre. The result is that even modest pledges of the countries have been implemented to about 30%. This shows that 'practical enthusiasm' measures for climate defence are absolutely not enough. Take, for example, such rich countries as the US, where emissions per capita in 2011 amount to 17.3 tonnes; Canada 16.2; Australia 19; Japan 9.8; Russia 12.8; and South Korea 12.6; whereas the average in Europe is 7.5 tonnes. The majority of countries are even below the EU level, as for example, India, which has got 1.6 tonnes only; Brazil 2.3; and Turkey 2 tonnes. The average figure for the world is 4.9 tonnes. It's not easy to solve a dilemma on how to make the biggest emitters decrease their emissions, whilst curbing the ambitions of many countries to develop their industries, which ultimately means an increase of emissions. This does concern India, Turkey, or even Brazil, but we should bear in mind that, in the near future, many Asian countries will try to develop their economies, and 'sleeping' Africa will soon emerge with their ambitions, too.

## 1.2. Does richer mean more emissions?

This is not a rule, but in the overwhelming majority of cases, the countries with higher GDP per capita are the biggest emitters of CO<sub>2</sub>. Should these countries decrease their emissions sharply, not only for the climate's sake, but for the sake of the healthy development of the developing countries, to keep world average CO<sub>2</sub> emissions not higher than, for example, 2011's figure for G-20 countries of 4.9 tonnes per capita? The discussed 100 billion dollars per year to support developing countries seems not to be a proper solution, as from one side, it's an alluring amount, but from the other side, climate change prevention measures are considered by many of these countries as a very serious hurdle on the way to industrial development.

## 1.3. Impact of climate policy.

We must remember that climate policy may change economies and the living standards of citizens, especially in countries with a low GDP, due to their high sensitivity to rises in energy prices. Therefore, it is important to seriously consider a fair share of the costs of climate policy, taking into account the GDP per capita, the CO<sub>2</sub> emissions per capita, and the unemployment rate.

## 1.4. More consideration

Much more should be done by the EU, to convince the biggest emitters to decrease sharply their emissions per capita, but in terms of practical reality, otherwise the EU will have no chance to compete with many countries such as the USA, Canada, China, and even Turkey.

It seems to us that the benchmark of CO<sub>2</sub> emissions by 2030 should be the same for the EU, G-20, and OECD countries, and our suggestion is: 7.1 tonnes per capita. Such a figure will be fair for all these countries, and will assure fair competition, and a fairer international share of employment. In such a case, no carbon leakage, and no closing of existing facilities in the EU should be expected.

## 2. Questions:

2.1: Question No.1: According to us, the goals which are proposed by the EU are too ambitious for the leading economies in the world. Take, for example, the USA: their emissions per capita in 2011 were 17.3 tonnes, whereas in the EU, the average was 7.5 tonnes. Very ambitious USA's plans decrease this figure by 2020, to about 13 tonnes, which will still be two times more than in

the EU at that time. If the benchmark will be 7.1 tonnes in 2030, with great probability, the USA will be able to achieve this level, as well as China and others. Of course, this means a slowdown of ambitious EU plans, but will enable the EU economies - to survive. The Agreement can still give the opportunity for those countries, who want to be leaders in CO2 emission decreases, that on an individual basis, they can pledge higher decrease figures.

Another chapter should concern the developing countries and how to cope with their ambitions for development of their industries. In our opinion, simple distribution of as high an amount as one hundred billion US dollars yearly, will not be sufficient, and should rather be substituted by the transfer of BAT and related equipment .

2.2: Question No.2: Our proposal concerning the establishment of a benchmark for the emissions per capita should prevent any carbon leakage. This does not concern developing countries, for whom different regulations should be established, as it is not possible to put into one basket - both developed and developing countries.

2.3: Question No. 3: This question is of a political character and depends on whether the politicians can convince their societies and colleagues from other countries, that global warming is scientifically justified. Action is now required if we want us and future generations to be protected from the negative consequences of climate change. This remark concerns EU activities as well, as we see that a lot of unnecessary effort takes up time within the EU, while the major trust should be directed towards their international activities, first of all, with the OECD, and then, the G-20 countries.

2.4: Question No. 4: As we said in answer to question no.2, the basic criteria should be CO2 emissions per capita. We can consider as well GDP per capita, but we presume that the richest countries will not accept it. Another possibility is the unemployment rate, but this proposal again will not be accepted by the richest countries.

2.5: Question No. 5: In our view, the Agreement should be divided, as mentioned above, at least into two parts – one for developed countries (the EU, OECD, G-20), and the other for developing countries, as it would be very difficult to find the common economic denominator for a patchwork of countries.

2.6: Question No. 6: As climate change is a global issue, we should apply global mechanisms to encourage CO2 emissions decreases. It is doubtful that such a mechanism could be based on the EU model, but some of its components could be included. We are especially referring to the ETS,

which has the chance to be internationalised on a voluntary basis, under United Nations supervision and organisation. A separate Convention should be prepared based on the 2015 Agreement. Another instrument is the proposal of 100 billion US dollars which, as mentioned already by us, should be transferred in the form of BAT, and relevant equipment. One should answer the question how to accept particular investment in developing countries. Again, a special Convention derived from the 2015 Agreement, should be prepared. The United Nations should define the role of the World Bank in climate change issues.

2.7: Question No.7: The 2015 Agreement should be the basis of the Convention which will describe the transparency and accountability of countries. The method should be clear and there should be the possibility to verify the received data by the United Nations, similar to the controls/regulations applied by the EU. How to penalise countries which fail to meet their obligations? This is a very serious problem which can lead, for example, to imposing extra customs' duties.

2.8: Question No. 8: As we mentioned above, a less ambitious approach will bring better rewards, that is why we propose 7.1 tonnes per capita emissions, in 2030, for EU, OECD, and G-20 countries. This will enable an honest discussion with the richest countries, and not penalise the less affluent nations, giving them the chance to decrease CO<sub>2</sub>, develop RES, whilst developing their own indigenous sources of energy, and decreasing unemployment. If these factors are not accepted in the 2015 International Climate Change Agreement, there will be no chance to find a common solution for the developed countries, and even less likely to produce an agreement that will satisfy the interests of the developing countries.

2.9: Question No. 9: As we already suggested, the EU should become more active, especially in talks with the richest countries, plus China, as they do have, and should have, the biggest impact on climate change.



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