

The Federation of Austrian Industries' submission on the public consultation on the strategy for long-term EU greenhouse gas emissions reductions

The Federation of Austrian Industries is fully committed to the Paris Agreement. It constitutes a big step in the right direction to transition to a low-carbon society on a global level. However, concrete measures need to be decided on and taken in order to achieve the objectives that were set. With this in mind, we, the Federation of Austrian Industries, propose the following points in order to contribute in finding the needed solutions:

- While the discussion has been driven by the question whether emission reductions of 80 percent, 80 to 95 percent or a balance between emissions and removals should be achieved by 2050 (baseline 1990), it would be far more important to establish a plan that will give Member States guidance achieving the targets that were already set by 2030. That plan should include concrete measures and information on the financial and socio-economic aspects.
- The transition to a low carbon-society will undeniably be challenging. There are vast research potentials as there are many problems that have not been solved yet. This constitutes a huge opportunity for the EU: by investing in fields such as energy transport and energy storage, Europe could take a leading role in the global transformation of the current energy system.
- A competitive infrastructure must be set up, as it is crucial that the EU continues to be a modern and globally relevant economy during the transformation of the energy system. The supply of energy, gas, heat and raw materials has to be ensured at every stage of the transformation. To simplify the process of setting up this competitive infrastructure, it should be an ambition to work towards a single European energy market that is interconnected with the appropriate physical structures.
- The right political framework should aid to realise measures towards a carbon-free energy system. Creating a long-term legally binding framework will provide security for investment into low carbon solutions. In addition, it is crucial that regulations do not hinder the establishment of new technologies. Furthermore, overlapping policies must be avoided. Key policies such as the Energy Efficiency Directive (EED), the Renewable Energy Directive (RED) and the EU Emissions Trading System (ETS) should be implemented in all Member States as soon as possible.
- In 2016, the EU was responsible for under 10% of the world's greenhouse gas emissions. This means that without an ambitious participation by the rest of the world, the EU's emission reductions alone will not solve the issue of global warming. Consequently, the EU needs to encourage its main trading partners to be ambitious too and to set similar climate goals for themselves. Thus, the question of long-term targets is interlinked with the question of international climate action.
- Switching from fossil fuels to electrical energy sources will increase energy use in total. In order to mitigate this problem, it will be more important than ever to use energy as efficiently as possible.
- Particularly during the transformation of the energy system, a balance between optimising already existing technologies and exploring break-through technologies needs to be maintained. To boost research and innovation on key low-carbon

processes and technologies, a suitable research and innovation framework needs to be in place. EU low-carbon industries have to stay competitive on global markets during the transition. Additionally, allowing and applying bridging technologies should help the sensible transition from old to new technologies.

- After the Commission published the strategy, a close dialogue with relevant stakeholders needs to be maintained in order to make the transition as smooth as possible.