

Central Europe Energy Partner's feedback on the 'Climate Law'

Central Europe Energy Partners (CEEP), as an organisation representing energy and energy-intensive companies, supports a fair and balanced transition to a neutral carbon economy.

Having acknowledged the European Commission will propose the 'Climate Law', which will enshrine the climate neutrality objective by 2050 in legislation, it is of crucial importance to define what climate neutrality exactly means as this definition would have significant effects on the business and investment decisions in the next decades. Moreover, an in-depth impact assessment as well as a monitoring mechanism should be established in order to provide a proper assessment on different stages of the 2050 target implementation.

It should be also recognised that Member States have different starting points for energy transition. They are determined by structure of their economies, in particular the energy-intensive branches, but also their energy-mixes, which rely vastly on fossil fuels. The switch to low carbon technologies will be therefore a process which will differ in particular countries and regions and for some of them will pose bigger challenges.

With the aim of achieving a cost-effective and just transition the principle of 'technology neutrality' is crucial. It is clear that immense infrastructure and research and development investments are necessary in order to cut greenhouse gas emissions. Only a combination of several technologies contributions will allow fulfilling the goal of achieving a climate neutral economy.

Moreover, investments plans need to take into account local and national circumstances, which determine costs and risks of projects. Despite decreasing costs of RES technologies, currently, within the EU, considerable differences exist in capital cost of low carbon investments – we believe that this issue should be addressed by the legislator.

Assuming the increase of EU climate ambitions – in the global perspective – there is a need to protect EU industrial competitiveness and to introduce relevant measures, which should be also described in the proposed law.

Finally, we call for the 'Climate Law' to tackle the concerns of local, economic, social and technological restrictions of Central European Member States, since they will have to make the most effort to achieve climate neutrality. At this stage of consultations, we would like to underline the importance of the "leaving no one behind" principle, as social acceptability is crucial to meet the climate objectives. The climate law has to ensure that the energy transition is socially just and fair.