MANUFACTURING INDUSTRY SUPPORT is essential in combating global warming

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SUMMARY

COP 21 marks a decisive milestone to Combat Global Warming effectively. Manufacturing industry offers its support for any productive measures, provided that there is a policy framework in place that ensures a level playing field between industries from all major countries, and cost-effective policies that enable the development of the needed technological innovations.

Without a level playing field, industrial GHG leakage will occur, shifting jobs and GHG emissions to countries not committed to reduce their GHG, achieving nothing environmentally. This has already occurred in some OECD countries.

Since it is an essential player to develop innovative technological solutions for Combating Global Warming, a healthy manufacturing industry needs to be actively supported rather than constrained: it should be supported by policies that ensure:

- A level climate cost burden in the major globally competing countries, including OECD and BRIC countries;
- Comparable growth perspectives in globally competing countries;
- Reduction of GHG emissions across all sectors in the most cost efficient way.

Industries represented by IFIEC World, where energy is a major competitiveness factor, such as basic chemicals, pulp and paper, rubber, glass, cement, steel and aluminium have higher energy demands than other manufacturing sectors, regardless of region. These industries supply the fundamental raw materials for economies and societies. Furthermore, they provide a significant number of well paid, qualified jobs and the basis to produce the new, more energy efficient materials and products needed in lower carbon and energy efficient societies.

The carbon reductions necessary to combat global warming can only be achieved with applying new, innovative technologies, not by reducing economic activity through higher energy or compliance costs. We also do not believe them to be achieved while abandoning accustomed modern life styles and behaviour.

Therefore, actively supporting these industries must be part of any related climate policy measures. Active and effective climate change policy is needed to strengthen the investment environment for these industries, as they must and will be part of any international attempt to combat global warming.

WE STRONGLY URGE THAT COUNTRIES ADDRESS THESE ISSUES IN THEIR INDCs (INTENDED NATIONALLY DETERMINED CONTRIBUTIONS) AND IN THE NEGOTIATIONS FOR A 2015 UNFCCC AGREEMENT.
Energy is key, both for the development potential for OECD and non-OECD countries and for the global GHG reduction path. Therefore, the design of energy policies around the globe is essential. A rational balance between an ecological, economical and secure energy policy is a must.

Energy costs more and more determine the competitiveness of economies. Therefore, energy prices must be an important indicator for evaluating and choosing climate change policies.

The answer to combat global warming beyond 2020 lies in technology. Research must continue into new energy efficient technologies and best available technology use needs to be accelerated by providing the environment for appropriate technology innovation around the globe.

Key for success is having access to the necessary financing; amounts at stake are significant and require both public and private resources. Such financing only happens with confidence in long established economic drivers. Policies must therefore not shift away capital from the manufacturing industries.

Combating global warming can only be done in an efficient way by innovative technological solutions developed by a healthy competing manufacturing industry. Industry needs to be actively supported by ensuring a level playing field, cost-efficient energy policies and proactive innovation policies.
ABOUT IFIEC WORLD

The International Federation of Industrial Energy Consumers represents energy intensive companies from all sectors, including but not limited to chemicals, metals, cement, ceramics, glass, rubber, pulp and paper, etc. In these sectors, the cost and availability of energy and power are significant factors affecting their ability to compete in world markets. IFIEC has non-governmental organisation recognition at the United Nations and has affiliated federations in Europe, North and South America.

IFIEC WORLD’S MEMBER FEDERATIONS

BRAZIL:  Associação Brasileira de Grandes Consumidores Industriais de Energia e de Consumidores Livres (ABRACE)

USA:  Industrial Energy Consumers of America (IECA)

EUROPE:

Belgium  Federation of Belgian Industrial Energy Consumers (FEBELIEC)
Bulgaria  Bulgarian Federation of Industrial Energy Consumers (BFIEC)
Czech Republic  Sdružení velkých spotřebitel energie (SVSE)
Denmark  Foreningen for Slutbrugere af Energi (FSE)
Finland  Suomen ElFi Oy
France  Union des industries utilisatrices d’énergie (UNIDEN)
Germany  Verband der Industriellen Energie- und Kraftwirtschaft (VfK)
Greece  Hellenic Union of Industrial Consumers of Energy (UNICEN)
Hungary  Ipari Energiafogyasztók Fóruma (IEF)
Italy  Associazione Italiana Consumatori Energia de Processo (AICENP)
Netherlands  Vereniging voor Energie, Milieu en Water (VEMW)
Norway  Federation of Norwegian Industries (FNI)
Poland  Izba Energetyki Przemysłowej i Odbiorców Energii (IEPiOE)
Portugal  Portuguese Association of High Electrical Energy Consumption Industries (APIGCEE)
Spain  Asociación de Empresas con Gran Consumo de Energía (AEGE)
United Kingdom  Energy Intensive Users Group (EIUG)

IFIC WORLD – INTERNATIONAL FEDERATION OF INDUSTRIAL ENERGY CONSUMERS
Dr Jean-Louis von Planta, Aschenvorstadt 13, P.O. Box 653, 4010 Basel, Switzerland
President: Fernand Felzinger (felzinger@ifieceurope.org)
General Secretary: Paul Cicio (pcicio@ieca-us.org)

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