

Position Paper

08 March 2011

Energy Efficiency Plan 2011 is much needed

On March 8th the European Commission published its Energy Efficiency Plan 2011. The plan contains a number of proposals for improving Europe's Energy Efficiency.

The European Pulp and Paper Industry Confederation (CEPI) supports the Energy Efficiency Plan and most of the measures proposed in the plan. The European Pulp and Paper Industry is an energy intensive exposed sector in the EU Emission Trading System. The success of EU member states achieving their energy efficiency targets directly impacts the EU ETS Sectors such as the pulp and paper industry. As the success of energy efficiency measures determines the total primary energy needs, it also has a huge influence on the biomass demand for the Renewable Energy 20% target. Therefore meeting the 20% Energy Efficiency target is crucial.

CEPI has two key comments to the current proposal:

Unnecessary Mandatory Energy Audits. Energy Efficiency in industry is already heavily regulated. All pulp and paper mills environmental permits are based on the Industrial Emissions Directive (IED) and the Best Available Technology Reference Documents based on the IED. Over 90% of pulp and paper products in Europe are made in mills with an environmental management system (EMAS or ISO 14001) in place, including energy management. Many of the mills are part of national long term agreements on energy efficiency. Almost all pulp and paper mills fall under the EU Emission Trading Scheme and the Energy Tax Directive applies to our electricity and fuel consumption. As Energy costs are on average 20-30% of cash manufacturing costs of the sector, further audits are barely necessary. CEPI is not in favour of the current proposal of mandatory energy audits for large companies. "The Commission communication proposes these mandatory audits as extra stand alone measure on top of all the measures already in place, which will merely result in additional expenses on external consultants", says Marco Mensink, Deputy MD of CEPI.

Combined heat and power needs priority indeed. The pulp and paper industry is one of the largest users of High Efficient Combined Heat and Power (CHP). It is an important intermediate technology on the way to the 2050 low carbon economy. Key element of the plan is the proposed priority grid access for electricity from CHP. This should give a long awaited boost to more efficient energy generation in Europe. The European Commission's CHP directive, aimed at improving the situation for CHP, has not yet shown signs of delivering and the new directive on EU Emission Trading System was a major setback for CHP, as no credits can be allocated to electricity produced and used on site. "If governments want to support CHP, they should enforce its position vis-à-vis centralised power generation. CHP is inherently more efficient than separate production of power and heat, but needs support in the continuing non-liberalised energy markets. The Commission seems to indicate that the CHP directive will be combined with the Energy Services Directive. CEPI is not in favour. 'CHP needs not only support, but a clear policy focus as well', Ms. Teresa Presas, CEPI MD concludes.



Note to the Editor

CEPI aisbl - The Confederation of European Paper Industries.

The Confederation of European Paper Industries (CEPI) is a Brussels-based non-profit making organisation regrouping the European pulp and paper industry and championing this industry's achievements and the benefits of its products. Its mission is to promote the members' business sector by taking specific actions notably, by monitoring and analysing activities and initiatives in the areas of industry, environment, energy, forestry, recycling, fiscal policies and competitiveness in general. Through CEPI, the paper industry increases its visibility and acts on emerging issues, making expert and constructive contributions on behalf of the industry.

Its collective expertise provides a unique source of information both for and on the industry; coordinating essential exchanges of experience and knowledge among its members, the ability to provide technical assistance to legislators and to identify independent experts on specific issues. Through its 19 member countries (17 European Union members plus Norway and Switzerland) CEPI represents some 700 pulp, paper and board producing companies across Europe, ranging from small and medium sized companies to multi-nationals, and 1020 pulp and paper mills. Together they represent 24% of world production.

Website: www.cepi.org