RESOLUTION

Integrating Energy Policy and Climate Protection

Renewable Energy and Efficiency Business is ready

Resolution of business associations to the informal meeting of EU environment ministers, 17 - 19 July 1998 in Graz, Austria

Climate Change is Changing Markets

In the medium term a drastic reduction of climate changing CO\textsubscript{2} emissions is necessary. That requires a strategic redirection of energy and energy utilisation policies towards increasing efficiency and the substitution of fossil fuels by renewable energy sources.

In this context we refer

- to the UN Climate Convention, which has the target to stabilise atmospheric greenhouse gas concentrations on a safe level.
- to the Kyoto protocol to the UN Climate Convention, by which the European Union is committed to reducing greenhouse gas emissions until 2010 by 8\% below 1990 value.
- to findings such as those expressed in the Austrian Federal Government’s National Environment Plan NUP from 1995: “In the long run a shift as complete as possible to renewable energy sources is inevitable.”
- to the communication of the European Commission "Partnership for Integration", presented at the Cardiff summit in June 1998, which emphasises: "Fulfilment of this commitment [CO\textsubscript{2} reduction according to Kyoto Protocol], and recognition that subsequent further reductions will be necessary, must become a primary consideration in the framing of all key policy areas."

Economic Policy is Environment Policy is Economic Policy

The economic policy of the Union and the member states should support - by reliable and transparent framework conditions - those technologies, products and services, which are necessary for a low risk and climate friendly energy business.

In this context we refer
to the communication "Partnership for Integration" of the Commission to the Council from June 1998, which declares: "The development and decisions on policy elements and measures for such strategies demand a close dialogue and co-operation between Environment Ministers and Ministers for several other policy areas."

to the Conclusions of the Presidency to the Council Meeting of 11 May 1998 which state: "There was a clear consensus that environment policy is part of energy policy and vice versa."

**Businesses of the Future need Economic Policy for the Future**

Numerous business companies have invested in the development of technologies and services to utilise modern energy sources and are offering them as mature and reliable. Businesses and industries represented by the undersigning business associations are ready to pave the way for a sustainable energy business in an economic manner.

It is the duty of the ministers to provide adequate economic policy conditions to permit the realisation of the advantages of modern energy forms, from efficiency to photovoltaics, in the market place.

In this context we refer

to the White Paper "Energy for the Future: Renewable Energy Sources", in which the European Commission emphasises: "The leading position of the European renewable energy industry world-wide can only be maintained and strengthened on the basis of a significant and growing home market."

to the target of the EU strategy, formulated in the White Paper, to increase the share renewable energy sources contribute to the Union’s energy supply until 2010 from less then 6% to 12 percent.

particularly to the Commission’s commitment to double the contribution of renewables to the electricity production from 337 TWh in the year 1995 to at least 675 TWh in 2010.

to the European Parliaments resolution from 4 June 1996, which "calls for all EU and Member States measures to be aimed at increasing the proportion of renewable energy sources in the EU’s primary energy mix to 15% by the year 2010".

**Appeal to the Ministers, the European Council, and the Member States**

The undersigned business associations call on the Environment Ministers, the European Council, and the Member States of the European Union to establish - for the purpose of a significant and sustainable reduction of damaging detrimental CO\(_2\) emissions - clear economic and environmental framework conditions to support renewable energy sources and energy efficiency.

**In particular we call on the Ministers, the Council, and the Member States,**

to push for the achievement of the targets of the White Paper "Energy for the Future:"
Renewable Energy Sources;

to ensure that the transformation to competitive market structures in electricity and gas markets does not impede or even paralyse the development of those business sectors, whose products and services are necessary for a climate friendly and sustainable energy system;

to ensure that the liberalisation of energy markets be arranged in a way that permits efficiency measures to take part in energy business competition along the lines of RTP (Rational Techniques for Planning);

to support a mandatory priority regulation for electricity from renewable energy sources and cogeneration systems by extending the existing regulation in § 8 (3) and 11 (3) of the directive 96/92/EG, as proposed in the European Parliament's Study "Energy Pricing Policy: Targets, Possibilities and Impacts";

to harmonise the feed-in tariffs for electricity from renewable energies on a minimum level that internalises the long term economic advantages of renewable energy sources as well as their ecological and social advantages, and compensates for competitive disadvantages of renewables caused by free or cheap damaging emissions;

to push for a prompt introduction of a revenue neutral ecological tax reform that gradually increases the levy on all non-renewable energies and comprises exemptions from taxation for renewable energy and investments in energy efficiency. The reform should include the elimination of 'perverse' subsidies that counteract internalisation but instead externalise genuine 'internal costs';

to arrange for binding national minimum targets for a progressive increase of the shares of the different renewable energy sources and cogeneration to the energy supply of Member States, and their regular review;

to ensure that Member States improve and standardise energy consumption standards for buildings. Thereby not only can energy consumption of buildings be reduced but also the use of decentral energy sources for heating and energy supply can be facilitated and spread (thermal solar collectors, wood fired heating, photovoltaic rooftop systems).

Graz, 17 July 1998

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