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The EU's Long Term Climate Ambition Who's on Board (and Who's Not)

A detailed analysis of key trade groups and how they are positioning themselves for the future of climate in Europe

The EU's Climate Ambition: Who's on Board (and Who's Not)

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An InfluenceMap Report May 2019

Note: "GHG emissions" refers throughout this report to greenhouse gas emissions.

This report is located online at this landing page.

Executive Summary

- New research from InfluenceMap reveals a widening gap between Brussels-based industry lobbyists and the growing sense of urgency over climate change in Europe. Amid mounting concern from scientists, citizen groups, investors, regulators and even many corporations in Europe, powerful industry lobby groups have been slow to reform their negative lobbying on ambitious and decisive policy action from the European Commission since 2015.

- The European Commission's long-term strategy 'A Clean Planet for All', released November 2018, lays out its ambition to lead on global climate action, including the possibility of net-zero greenhouse gas (GHG) emissions by 2050. In the context of the Paris Agreement and in line with the IPCC's October 2018 report, 'Global Warming of 1.5C', such leadership must entail "robust, stringent and urgent" policy interventions to meet or exceed this goal.

- InfluenceMap's research assesses eight key industry associations on their lobbying across a range of EU climate and energy policy from 2015 to present and finds a significant pattern of opposition to Paris-aligned climate policy. Auto trade group ACEA is found to have been the most oppositional, owing to an aggressive campaign against efforts to establish ambitious CO2 standards under the EU Clean Mobility Package between 2017-2019. Industrial lobby groups representing the steel, metals, cement, and chemicals sectors, along with cross-sector group BusinessEurope, were also found to have been antagonistic towards efforts to ramp up EU climate ambition.

- Responses to the EU Commission's long-term strategy in 2018-2019 by groups including BusinessEurope and chemical sector lobby group CEFIC indicate some shift in positioning on climate ambition. However, InfluenceMap's assessment found that none of the group analyzed has set out a position explicitly supporting a net-zero emissions target time-bound to 2050 at the latest. Instead, the research highlights sophisticated lobbying characterised by top-level support conditioned by warnings of the economic consequences or requests for increased protection for their sectors.

- Eurelectric, the European utility sector trade group, emerges as an exception among the groups analyzed, following a transformation of its climate positions over the past 3-5 years. This includes support for reforms to the EU Emissions Trading Scheme and for higher CO_2 emission standards for vehicles. Eurelectric's support for low carbon electrification as a route to decarbonise transport, heating and industry, suggests that it could be a powerful business advocate for climate policy going forward, corralling other groups toward this goal.

- The research highlights the issue of misalignment between corporations' stated climate goals and strategic lobbying by their trade groups which runs directly counter to these goals. In 2018, institutional investors led by the Church of England Pension Board, Sweden's AP7 and BNP Paribas Asset Management challenged 55 of the largest European industrial companies on the issues of climate lobbying and trade group misalignment. This pressure is likely to escalate as the need for urgent policy action on climate becomes increasingly apparent

Background

EU Climate Leadership

The European Union has long considered itself a leader on climate. EU climate policy has primarily developed in coordination with the international response to reports from the UN's climate research body, the IPCC. However, EU leaders have also highlighted the substantial business opportunities represented by an early clean energy transition. In January 2019, Werner Hoyer, President of the European Investment Bank, made a plea for Europe to avoid missing these opportunities, which he noted could be worth €23 trillion by 2030.

The IPCC's October 2018 'Global Warming of 1.5C' report found that limiting the catastrophic impacts of climate change will demand significant short-term emission reductions, combined with net-zero GHG emissions by 2050 globally. Current national pledges submitted under the Paris Agreement are far from sufficient to achieve this goal, and the IPCC report concludes that "robust, stringent and urgent transformative policy interventions" are needed to ensure systemic change at the required pace and scale. Along with the rapid scaling-up of low carbon technologies, the IPCC report strongly indicates the need for significant decreases in fossil fuel use.

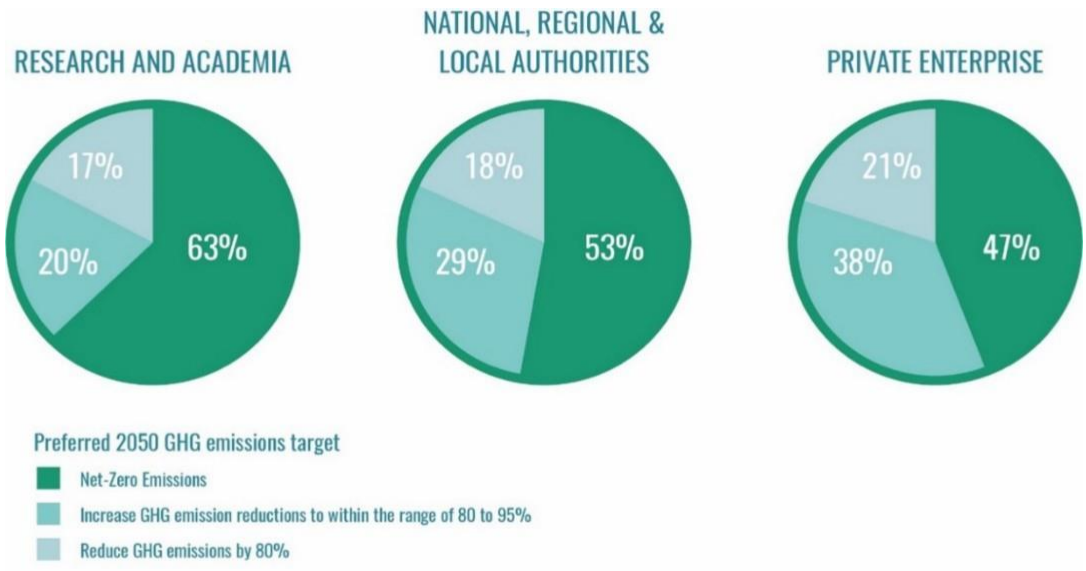
While net-zero emissions must be achieved through a concerted global effort, not all economies are equally positioned to contribute in the short term. The Paris Agreement commits developed countries to lead economy-wide emission reductions. In this context, climate leadership in Europe clearly entails the implementation of policy to deliver net-zero emissions as soon as possible i.e. prior to the stated 2050 target.

The EU's 2050 long-term strategy on GHG emissions

Under instruction from the European Parliament and the European Council, in 2018 the European Commission began updating the EU's existing 2050 climate roadmap to ensure its alignment with the Paris Agreement. The result of this work, a new long-term climate strategy for Europe, will need to be agreed by EU legislative partners by early 2020 and submitted to the UNFCCC under the terms of the Paris Agreement.

Since the process began, there has been a groundswell of support for a "net-zero emissions target" (achieving a balance between carbon emissions and removal) by 2050, which has been recognized by actors including numerous EU member-states, institutional investors, progressive corporations, NGOs and academic institutions as representative of the European Union's international obligations. When the Commission launched its public consultation on the new strategy in July 2018, this option was found to be the most popular across the various categories of respondent. Data collected by the

Commission on the results of the consultation is shown below, indicating the preference for alternative 2050 targets across different groups.



The Commission's 2050 long-term strategy, released November 2018, models eight potential low carbon pathways. While only two of these models achieve net-zero emissions by 2050, EU Commissioner for Climate Action Miguel Arias Cañete has argued in favour of this outcome.

In March 2019, the European Parliament confirmed its support for the net-zero scenarios presented in the Commission's strategy and further specified that raising Europe's 2030 emission reduction ambition was the most cost-efficient means to achieve this. The European Union's response to climate change will be a top issue in the May 2019 European Parliament elections, with polling showing 77% of potential voters want elected representatives to prioritize climate.

Before the final version of the 2050 strategy can be agreed and adopted, the powerful European Council, which directly represents member states, must determine its position – likely before Autumn 2019. A vanguard of progressive countries including Denmark, France, Portugal and Spain are campaigning for a new net-zero target for 2050 whilst countries such as Poland, the Czech Republic and Hungry have been more resistant to this path.

Though the Commission has not yet proposed new or updated climate legislation as part of the 2050 strategy, it has recognised that current policies and targets are not sufficient to achieve emission reductions by 2030 and 2050 in line with the Paris Agreement. The first global stock-take of progress toward reaching the Paris Agreement's goals will take place in 2023. A significant review of the EU's key energy and climate legislation is therefore likely to be a key priority under the EU Commission's next five-year term, beginning later this year.

EU Trade Groups and EU Climate Policy Influencing

Studies have shown that EU trade associations representing energy and industrial interests have long been powerful stakeholders in the European climate policy process. For example, Skodvin et al. (2010)[1] found that particular target groups were able to influence key aspects of the flagship Emission Trading Scheme (EU ETS) during its 2008 revision. Similar conclusions were made by the University of Westminster (2015)[2], which highlighted the ongoing strength of influence by key industry groups on the EU ETS process.

InfluenceMap's 2017 report, *Trade Associations and their Climate Policy Footprint,* assessed the trade groups wielding the largest influence over climate policy globally, including a significant number of associations focused at an EU policy level. The analysis found that the majority of industry associations actively lobbying on EU climate policy continued to oppose increasing regulatory ambition on climate change.

This report updates this research by focusing on seven EU-wide industry associations, previously assessed as having the largest negative impact on climate policy. Also included in the analysis is utility lobby group Eurelectric, another group found to be highly influential on EU climate policy, but whose positions on climate policy have been increasingly positive in recent years. The eight organisations in this group span a range of other business sectors flagged as high-priority in the EU Commission's 2050 climate strategy, and also include the main cross-sector business association, BusinessEurope.

EU Trade Groups Scored on Climate

The table below shows InfluenceMap's analysis of key trade groups and their lobbying on climate policy since 2015. The analysis considers lobbying on a range of EU climate and energy policy, including but not limited to developments related to the European Emissions Trading Scheme, the Clean Energy for All Europeans Package and the Clean Mobility Package. Most recently, this has also included engagement around the EU's 2050 long-term strategy on GHG emissions. Summaries of our scoring for each organisation can be found in Appendix B.

- **Organisation Score (0-100):** This describes the organisation's overall position towards climate and energy policy. Under InfluenceMap's scoring system, scores above 75 indicate support for meaningful and ambitious climate policy, and scores below 50 towards zero indicate increasing opposition.

- **Change since 2015:** This represents the change in the Organisation Score since the Paris Agreement in 2015. InfluenceMap has tracked each group since this time, offering insight on the extent to which their climate lobbying has evolved.

- **Alignment with Members:** This indicates the difference between the trade group's own Organisation Score and the average Organisation Score of its members. InfluenceMap has scored a universe of 300 of the largest industrial companies globally in an identical manner to the trade groups. Graphs detailing this comparison can be found in the Appendix. A negative alignment score indicates the trade group lags behind most of its members' climate positions in terms of ambition. *Anything below negative 10 indicates serious misalignment with members' interests on climate – as shown by BusinessEurope and ACEA, the automotive trade group.*

Climate Score	Trade Group	Sector	Change in Score since 2015	Alignment with Members' Scores
63	Eurelectric	Utilities	+12%	-6
42	CEFIC	Chemistry	+4%	-5
42	Eurofer	Steel	+2%	5
37	CEMBUREAU	Cement	+3%	-6
37	FuelsEurope	Energy	+6%	3
36	Eurometaux	Metals	+4%	-2
33	BusinessEurope	Cross-sector	+6%	-21
32	ACEA	Automotive	-2%	-15

Summary of Key Findings

The analysis shows persistent negative lobbying on ambitious climate policy across the majority of industry groups analyzed since 2015. This lobbying has focused on the review process for the EU's climate policy framework up to 2030 which occurred between 2015-2018. Auto trade group ACEA is found to have been the most oppositional over this period, owing to an aggressive campaign against efforts to establish ambitious CO2 standards under the EU Clean Mobility Package between 2017-2019. It is also the only group surveyed to show *increasing* opposition to ambitious climate policy since 2015.

Lobbying by energy intensive industry associations covering the cement, chemicals, metals, steel, refining sectors, as well as cross-sector group BusinessEurope, around the EU's Emission Trading Scheme was also found to be overwhelmingly negative from the perspective of European emission reductions. Heavy Industry GHG emissions covered by the EU ETS have reduced just 1% since 2012. The result of EU industry group lobbying between 2015-2018 is a new set of EU ETS's rules that, 2018 analysis by Carbon Market Watch has shown, ensures industries representing 90% of total EU industry emissions continue to receive their emission permits for free after 2020. This will reduce the incentive to decarbonize for longer. A full summary of each group's lobbying practices can be found in Appendix B.

Electric utilities group Eurelectric is an exception to this trend and is now engaging in a largely positive manner across the range of EU climate and energy policies. This represents a significant transformation in the group's lobbying stances over the past three to five years. Eurelectric has broadly supported reforms of the EU ETS, and in 2018 lobbied for higher CO_2 emission standards for vehicles and zero- and low-emission vehicle sales targets. Since 2014 the group's positioning on renewable energy policy has moved from not supporting renewable energy targets, to in 2018-2019 accepting the deal on a raised EU 2030 target and cautiously advocating for increased measures at the member state level to meet this ambition. Eurelectric appears positive on decarbonizing by 2050, although has not specifically supported economy-wide net-zero target for 2050. However, the group has committed the utility sector to become carbon neutral "well before 2050." The group's strategic support for electrification as a route to decarbonise transport, heating and industry suggests it could be a powerful, business-driven advocate for climate policy going forward, corralling other groups towards this goal.

The analysis shows that a number of trade groups found to be highly oppositional in 2015 have more recently made incremental improvements in their climate positions. In particular, responses to the Commission's long-term strategy by groups including BusinessEurope or chemical sector representative CEFIC indicate some shift towards moderately positive positions on climate ambition. More broadly, the trade groups representing sectors including refining, steel, metals and cement have tended to engage with the process via low carbon pathway reports, setting out potential GHG emission reduction contributions from their respective sectors and stressing the need for technology-driven solutions that are supported by non-binding policy initiatives.

However, none of the group analyzed has explicitly stated support for a net-zero emissions target time-bound to 2050 at the latest. Instead, a trend of increasingly subtle and sophisticated lobbying around the long-term strategy is noticeable. This is characterized by apparently positive top line statements which are, however, attached to conditions or warnings of the economic consequences of higher ambition. For example, trade groups representing energy intensive sectors including CEFIC (chemicals), CEMBUREAU (cement), Eurofer (steel) and Eurometaux (metals) have emphasized the economic risks from a net-zero ambition, whilst seemingly conditioning their support on increased protection be granted to their sectors if a route of higher ambition is chosen. InfluenceMap's analysis highlights such arguments as a commonly used tactic, deployed effectively by trade groups worldwide, to delay or weaken the implementation of stringent climate regulation.

This behaviour by trade groups contrasts with increasing recognition and support for meaningful climate regulation in the corporate sector and highlights the growing misalignment between companies and their trade groups on climate. For example, in April 2019 more than fifty EU corporations including Unilever, IKEA and Iberdrola have explicitly called for EU climate neutrality by 2050. As shown in the table on page 6, many of the groups analyzed have a more negative lobbying position than the average position held by their corporate membership: with BusinessEurope and ACEA most severely misaligned. The table below summarizes the trade groups' current positioning toward the Commission's 2050 strategy on GHG emissions. It also highlights key points from trade group lobbying on core aspects of the EU's 2030 climate policy since 2015. Based on this dual assessment, the table benchmarks the trade groups' current position on EU climate policy against the Commission's, alongside other actors engaged on the issue. Within the different colour bands, entities are grouped alphabetically.

Organisation	Positioning on the EU 2030 Climate Policy Framework	Positioning on EU 2050 Climate Strategy
CAN Network (NGOs)	Supports increased 2030 GHG ambition to at least 65% reduction.	Supports net-zero by 2040.
European Parliament	Supports increased 2030 GHG ambition to 55% reduction.	Supports EU Commission's net-zero 2050 pathways only.
IIGCC (Investors)	Supports increased 2030 targets in line with the new 2050 objective.	Supports net-zero by 2050 at the latest.
We Mean Business Coalition	Supports aligning 2030 ambition with net-zero by 2050.	Supports net-zero by 2050 at the latest.

European Commission	Not proposing new/updated legislation at this point. Considers current policies & 2030 GHG emissions trajectory "not sufficient" for Paris Agreement goals.	Has presented a strategy with possibility of reaching net-zero emission by 2050. Commissioner Cañete has argued this is what the "EU should aim for."
Eurelectric (Utilities)	Supported EU ETS reform for phase IV (2021-2030). Considered deal on RE target "well-balanced" but did not support new EE target.	"Welcomed" 2050 strategy and generally positive on 2050 decarbonization. Committed power sector "to be carbon neutral well before 2050."
ACEA (Automotive)	Called 2030 vehicle CO2 targets "extremely aggressive", lobbied for lower ambition.	Has stressed that "cost-effectiveness", not "absolute CO2 emissions", should be focus of EU 2050 Strategy. Supports 80 to 95% range for reduction target.
BusinessEurope (Cross Sector)	Opposed ambitious EU ETS reform for phase IV (2021-2030) and 2030 EE targets. A leaked internal memo from 2018 suggests group will oppose further 2030 ambition.	Supports net-zero ambition based on certain conditions being met; links this to an "around mid-century' timeframe.
CEFIC (Chemicals)	Has advocated for "stable objectives" in opposition to proposals to increase 2030 GHG emission target and increased EU ETS objective.	Positive on opportunities presented by EU carbon-neutrality but has also emphasised concerns about risks from "very ambitious' net-zero 2050 pathways.
CEMBUREAU (Cement)	Lobbied against ambitious reform to the EU ETS for phase IV (2021-2030); pushed for sector exclusions from 2030 EE targets.	"Shares the vision" for a carbon neutral Europe but has emphasised concerns about risks from "very ambitious" net-zero 2050 pathways.
Eurometaux (Metals)	Lobbied against ambitious reform to the EU ETS for phase IV (2021-2030); pushed for exclusions from 2030 EE targets.	Argues "real leadership" on GHG reductions means preserving industry competitiveness. Has emphasised concerns about risks from "very ambitious" net-zero 2050 pathways.
Eurofer (Steel)	Opposed to higher carbon prices under EU ETS & criticised phase IV (2021-2030) reforms for not providing enough cost compensation.	Has argued current 2050 GHG reduction ambition is already "high-risk operation."
FuelsEurope (Refining)	Lobbied against ambitious EU ETS reform for phase IV (2021-2030), opposed electrification targets under Clean Mobility Package.	Has argued the EU should not focus on "ever-higher unilateral targets" and has emphasised concerns about "very ambitious" net-zero 2050 pathways.

Key	
(green)	Supporting climate policy ambition
(blue)	Evidence suggests support for climate policy ambition
(brown)	Evidence suggests not supporting climate policy ambition

Appendix A: Investor Expectations

A Governance Issue

Investors are now highly concerned about negative climate lobbying by companies they hold in the portfolio. This covers both direct lobbying by companies and the lobbying by third-party groups, such as trade associations, that represent companies in different jurisdictions globally. This is resulting in increasing shareholder pressure on corporate management to rectify governance of this issue. These investors are often long-term, 'universal' holders of the entire market, and are concerned at the impact on the wider economy of continued delays to much needed climate policy. Moreover, investors with a range of time horizons are concerned that the lack of transparency surrounding corporate climate policy engagement may be obscuring corporate strategy on the energy transition, therefore exposing their investments to significant regulatory risk. This was highlighted in the Volkswagen (VW) 'diesel-gate' scandal, in which the top-line messaging of automotive companies like VW regarding their sustainability performance differed greatly from their compliance with climate and environmental regulations - ultimately resulting in the destruction of shareholder value. Engagement with companies over climate lobbying is now a strategic element within the framework of the Climate Action 100+ process, involving over 300 institutional investors and over $30 trillion in assets targeting the companies worldwide most critical to climate. Similar engagement is likely to extend to the corporate sector more broadly. An initial challenge on climate lobbying to 55 of the largest European industrial companies, (including Shell, BMW and Daimler) was presented by investors led by the Church of England Pension Board, AP7 and BNP Paribas Asset Management.

The Institutional Investors Group on Climate Change (IIGCC) has set out expectations regarding how companies should manage their climate policy engagement processes. Investors likely have no desire to micromanage companies over the details of their climate lobbying; rather, they are concerned with the lack of progress on meaningful climate policy more broadly and the lack of transparency from companies on this issue. Accordingly, the investor focus has fallen on broader governance of the issue. This generally entails the following steps.

- Paris-Aligned Policy: Adopt climate policy positions in line with the Paris Agreement and engage accordingly.
- Governance: Ensure good governance of climate lobbying, including board oversight, auditing of climate lobbying activities and trade association links, and consistency of lobbying with corporate climate goals/statements.
- Misalignments: Correction of any misalignments between lobbying and corporate goals including the key issue of trade association disconnects in a timely and transparent manner.
- Disclosure: Full transparency of positions, lobbying, trade associations and misalignments & any remedial actions/plans.

At present, very few if any companies display excellent governance on all of the above issues. In particular, the issue of trade association misalignments offers an acute challenge. The IIGCC guide offers several examples of strategies for addressing this problem, outlined below.

- Clear public statements of material disconnect with trade associations on climate issues.
- Working with the trade association (transparently) to resolve the disconnect.
- Discontinuing support/membership.
- Forming proactive alternatives to counter the negative lobbying.

Best Practice on Trade Group Misalignment

Given the growing pressure on companies to improve their governance of climate policy engagement, examples of best practice (which is, inevitably, a moving target) are emerging.

- **Paris-aligned policy positions**: InfluenceMap's research shows a few companies now strategically lobbying for ambitious climate policy among the world's largest corporations. These are outlined in the A List of Climate Policy Engagement and include European utilities Iberdrola and ENEL as well as IKEA and Unilever. A common feature of this activity is a policy engagement directive stemming from the top tier of the corporation's leadership.

- **Disclosure**: The companies under the most pressure to disclose fully tend to be those lobbying negatively on climate change policy. BHP responded with what was at the time a best practice step towards disclosing positions, trade group links and remedial steps in December 2017. Shell responded to shareholder pressure with a similar release in April 2019.

- **Trade Association Misalignment**: Both Shell and BHP have serious alignment issues with their wide networks of trade associations. BHP chose to leave the World Coal Council yet not the US Chamber of Commerce, while Shell chose to leave the American Fuel and Petrochemical Manufacturers yet remain in the US Chamber of Commerce and the American Petroleum Institute. InfluenceMap's analysis shows these groups to be seriously misaligned with the stated climate goals both of the Paris Agreement and of the companies themselves. It is thus clear that in making these decisions, companies are balancing the materiality of climate misalignments with the utility of a trade group to the company's overall business goals. Both BHP and Shell noted misalignments, with Shell rating the extent of these.

- **Proactive alternative lobbying groups**: A number of positive lobbying groups have emerged to counter the negative lobbying of powerful cross-sector groups like the US Chamber of Commerce and BusinessEurope. Those that are most effective are engaged in tactical lobbying at the detailed regulatory level as opposed to or in addition to top line support of climate ambition. An example is US-based Advanced Energy Economy, which counts companies like Apple and Google as key members. Both these companies left the US Chamber of Commerce based on climate issues.

Appendix B: Trade Association Profiles

The following are also available on InfluenceMap's online climate lobbying database. The score in the upper right represents the climate lobbying organizational score of the trade group on an A through F scale with F being highly oppositional to Paris-aligned climate policy.

European Automobile Manufacturers Association (ACEA)	E

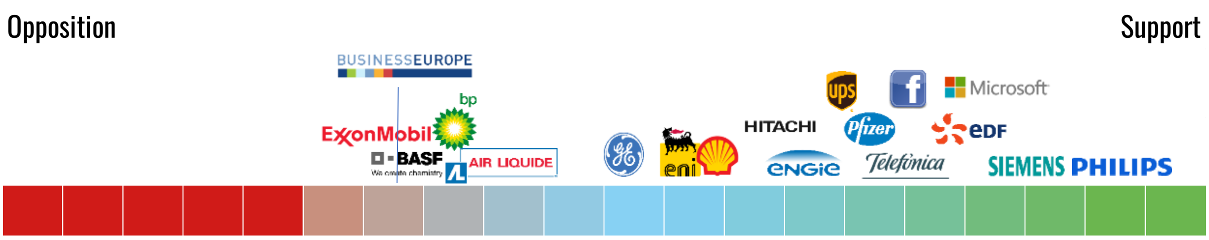
The European Automobile Manufacturers Association (ACEA) is actively and negatively lobbying on EU automotive climate policy. In response to the European Commission's request for comments on the EU's 2050 Climate Strategy in 2018, ACEA does not appear to have supported an ambitious transition towards low-carbon mobility, alternatively stressing that 'cost-effectiveness', not overall emission reductions, should be the overriding principle of a future policy response, and urging the Commission to avoid 'burdening the sector'. In 2015-18, ACEA strongly lobbied against efforts to establish ambitious CO2 emissions standards for the automotive sector for 2021-2030 and strongly opposed the level of stringency set by EU regulators in 2018 & 2019 for light-duty and heavy-duty vehicles, respectively. In 2019, ACEA secretary general Erik Jonnaert suggested that a review of CO2 targets in 2023 should be used to lower the targets (rather than increase their ambition) if necessary. ACEA has stated support for a 'technology neutral' approach to transitioning the automotive sector towards low-carbon. In response to the establishment of higher CO2 standards by EU regulators in 2018-19, ACEA has called to European countries to ramp up measures to incentivize LEV and ZEVs, including the construction of infrastructure to accommodate this process. However, in 2017 ACEA opposed binding EV sales mandates and in 2018 continued to advocate against what it sees as a "forced push" towards ZEVs. In its response to the EU 2050's climate strategy, ACEA argued that while electric and hydrogen might be long-term solutions, internal combustion engine (ICE) vehicles will remain dominant in the next decade due to the cost of alternatives.

How ACEA's climate lobbying compares with key members

BusinessEurope (Cross Sector)	E

BusinessEurope has predominately opposed EU climate policy ambition since 2015. The group communicates support for global action on climate change, for example advocating strongly in favour of finalizing the Paris Agreement's 'rule book' in 2018. However, its stated position on COP24 2018 suggests it does not support raising the ambition of the EU climate policy unless further action is taken by other economies. In September 2018, a leaked internal memo from BusinessEurope laid out a proposal for continued opposition to an increased ambition for the 2030 EU climate policy framework. Despite this, a 2019 position paper on the EU's climate strategy states support for long-term EU ambition towards 'net-zero emissions' depending on a number of conditions being met, although not giving a specific date for which BusinessEurope believes this should be achieved. Since 2015, BusinessEurope has actively lobbied against ambitious reforms to the European Emission Trading Scheme and has lobbied the ongoing allocation of free emission permits to industry. In 2019, BusinessEurope confirmed that this is its preferred measure for safeguarding industry competitiveness, although has also discussed the possibility of further options including border carbon adjustment mechanisms. BusinessEurope opposed any increase in the ambition of EU 2030 energy efficiency targets in 2016, and in 2018 opposed proposals to set a binding target of 35%. The group also wrote to the European Commission advocating that these targets remain indicative instead of binding. BusinessEurope does not appear to support ambitious policy to accelerate renewable energy, advocating for subsidies to be phased out to ensure a "market-based" approach wherein all energy sources are on "equal footing". In 2017, BusinessEurope argued that proposed emission standards to disqualify coal power plants competing in capacity mechanisms potentially represented a shift away from its preferred market-based approach, and stressed concerns around the potential impacts of such a shift. Despite this, in 201 9 BusinessEurope has communicated support for a number of other, broad measures to incentivize low carbon technology uptake in sectors including buildings, transport and industry.

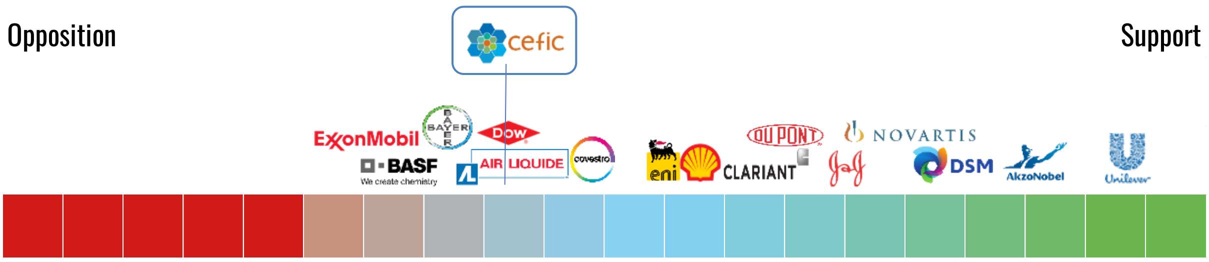
How BusinessEurope's climate lobbying compares with key members



CEFIC (Chemicals)	D-

CEFIC has opposed stringent EU climate regulation, although has evolved its position on certain climate policy issues since 2015. The group has increasingly stressed the role its sector might play in a long-term transition towards carbon neutrality and has advocated for measures including financing mechanisms and infrastructure projects to help deliver long-term decarbonisation for EU industry. However, CEFIC has not clearly specified the date for which it supports carbon neutrality at the EU level and continues to stress concerns regarding rising energy and regulatory costs undermining industrial competitiveness. In response to the release of the EU Commission's 2050 GHG emission reduction strategy, CEFIC stated: "make us competitive and we will deliver." However, in a joint position paper with EU Energy-Intensive industry bodies in January 2019, CEFIC emphasized the risks posed by efforts to reach net-zero by 2050 as a concern. CEFIC also appears opposed to any short term increase in EU 2030 climate targets, pushing in 2018 for "stable objectives" instead of proposals to increase the 2030 GHG emission target or EU ETS objective. Despite recognising the 'political need' to change the EU emissions trading system, CEFIC has focused its lobbying on securing maximum free emission permits for its sector. In 2017, CEFIC supported energy efficiency policy for the building sector, but opposed binding energy efficiency obligations for industry, calling them a "de facto cap for growth". In consultation with the EU Commission in February 2016, CEFIC opposed an EU renewables target, called for the immediate phase-out of subsidies and asked policymakers to limit renewable policy ambition 'to reduce the burden' of energy and climate polices. Since then, however, CEFIC has also advocated for the greater use of Power Purchase Agreements (PPAs) as an alternative route to facilitate increased renewables.

How CEFIC's climate lobbying compares with key members



CEMBUREAU (Cement) — E+

CEMBUREAU is negatively positioned with respect to EU climate policy ambition. Whilst claiming to share the vision for a carbon neutral Europe, the organisation does not specify a timeframe in which it supports this transition and further advocates this only on the condition that it is accompanied by a "clean planet" - the implication being that the pursuit of greater climate policy ambition in Europe should be stalled until global climate regulation is realised. CEMBUREAU argues that, in the absence of comparable regulation in other parts of the world, European industry should be compensated for the costs of climate regulations and receive full carbon leakage protection. CEMBUREAU has, since its original implementation in 2000 - 2005, consistently lobbied to weaken the European Emissions Trading System. In 2016-2018, CEMBUREAU continued to lobby EU policymakers, stressing the threat to international competition to oppose measures to reform the scheme and progressively reduce the allocation of free emission permits to energy-intensive industry. Whilst CEMBUREAU supported the implementation of the Energy Performance of Buildings Directive in 2018, the organisation has opposed energy efficiency policy directly related to cement sector operations, stating that such policies are not compatible with economic growth and should be implemented at a substantially reduced rate. CEMBUREAU has criticized the renewable energy directive for not offering enough protection to the cement sector, instead of arguing for "market-based funding" for renewable energy production instead of binding legislation. More broadly, the organisation does not appear to support urgent action to transition the European energy mix, instead supporting policy that ensures "equal treatment of all generation technologies". Despite this, CEMBUREAU has shown support for the increasing use of alternative fuels, such as biomass, and has offered support for certain financing mechanisms and infrastructure projects to support the development of low-carbon products.

How CEMBUREAU's climate lobbying compares with key members

Eurelectric	C

Eurelectric is actively lobbying on EU energy and climate change policy and has become more positive on a number of regulatory strands since 2015. In 2018, Eurelectric positively engaged with regards to EU Commission's long-term strategy on GHG emission reductions and has published a series of reports supporting increased electrification of sectors including transport, heating and industry to aid the decarbonisation of the EU economy. The group has also actively lobbied in favour of the EU Parliament proposals to increase the ambition of EU CO2 emission standards for vehicles, as well as zero- and low-emission vehicle sales targets. In 2016-2017, Eurelectric supported efforts to increase the effectiveness of the EU Emissions trading system and in 2018 suggested it would have supported a more ambitious set of reforms to strengthen the scheme. However, Eurelectric also lobbied in favour of increasing free ETS emission permits for utility companies in certain member states and has opposed national-level measures to raise the carbon price. In 2017, Eurelectric opposed an increased EU 2030 30% energy efficiency target and, despite broadly accepting the agreed 32% renewable energy target in 2018, had only backed a target of 'at least 27%'. However, the organisation appears to have become more positive on certain strands of renewable policy and in 2018 has advocated for measures to encourage corporate renewable usage, e.g. through Power Purchase Agreements. Despite this, Eurelectric opposed a 550g CO2 emissions limits for power plants in the EU capacity market in 2017, essentially supporting measures which may extend coal power's role in Europe until the 2040s, despite also committing to not opening any new coal plants in 26 EU countries.

How Eurelectric's climate lobbying compares with key members

Eurofer	D-

The European Steel Association (Eurofer) is lobbying EU climate change policy with mixed and mostly negative positions. EUROFER has stated that the EU's long-term strategy is a "high-risk operation" on the grounds that it threatens the competitiveness of EU industry. As such, it has stressed the need for regulation from non-EU countries. EUROFER has criticized the EU ETS for not securing a "global level playing field". Between 2015-17, the group lobbied against ambitious EU ETS reforms, for example, organising a letter from the steel industry in 2017 opposing measures including the reduction of free emissions allowances. Eurofer has also opposed reforms such as the cross-sector correction factor and the market stability reserve. Whilst EUROFER has voiced support for EU rules on car and van emissions, it appears unsupportive of EU energy efficiency standards or targets for industry, suggesting they are incompatible with economic growth. While Eurofer's communications in 2018-19 have indicated growing support for transitioning to a low-carbon economy, the organisation has also advocated against renewable energy subsidies, stressing the need for "market-based" measures to support renewable energy over binding government regulation.

How Eurofer's climate lobbying compares with key members

Eurometaux (Metals)	E+

EUROMETAUX appears to have a mostly negative position on climate and energy policy. EUROMETAUX has welcomed the Paris Agreement and certain industrial solutions for reaching carbon neutrality in Europe. However, the organisation has not specified the timelines it supports to achieve this target and, in consultation with the EU Commission in 2018, instead stressed that a low-carbon economy a "high risk operation". In a position paper, submitted with other heavy-industry lobby groups, Eurometaux has emphasized concerns regarding the EU's ambition of net zero GHG emissions by 2050, arguing industrial competitiveness must be protected. EUROMETAUX has advocated for policy makers to weaken the EU ETS by giving energy-intensive industries full carbon leakage protection. In 2017, EUROMETAUX suggested they supported energy efficiency regulation for the building and transport sectors, however, called for their own industry to be exempt from other energy efficiency regulation. In 2018, EUROMETAUX suggested current energy efficiency ambitions were incompatible with economic growth. EUROMETAUX has stated that "decarbonising Europe's electricity supply" will be key to enabling the transition and has supported measures to incentivize electrification. EUROMETAUX has also advocated that the transition of the energy mix be driven by market-based responses rather than government regulation and has argued that subsidies for renewable energy should be temporary and technology-neutral.

How Eurometaux's climate lobbying compares with key members

FuelsEurope (Oil & Gas)	E+

FuelsEurope is negatively lobbying EU climate change policy. Despite stating support for the Paris Agreement in 2015, FuelsEurope has stressed carbon leakage concerns to warn against EU climate ambition. In a 2018 consultation with the European Commission on increasing the EU's contribution to global GHG emission reductions, FuelsEurope argued that Europe should not focus on "ever-higher unilateral targets". While appearing to support the EU ETS as an alternative to other climate policies, FuelsEurope has not supported reforms to raise its ambition from the perspective European emission reductions. In 2018, the group also continued to advocate for compensation for the refinery sector for costs related to the scheme. FuelsEurope has communicated opposition to binding energy targets, including EU energy efficiency targets and has supported a transport exemption from the EU energy efficiency obligation scheme. FuelsEurope previously opposed EU renewable energy legislation, advocating against both the binding 27% EU 2030 renewable energy target and renewable subsidies in 2014-16 consultation responses. While in 2017 the organisation appeared to become more accepting of an EU-wide renewable energy target of 27% , including promoting a role for renewable fuels in achieving it, FuelsEurope did not appear to specify a position on proposals to raise this target and argued that any target should be realistic and flexible. FuelsEurope was critical of increasing EU vehicle GHG emission standards between 2016-2018 arguing that this "risks misleading the car industry into premature electrification " and neglects the "potential for further efficiency improvements in conventional vehicles". FuelsEurope has proposed policies to help support increased use of low-carbon fuels, although appears to have opposed policy specifically promoting transport electrification. CEO John Cooper has criticized electric vehicles as "a route to much more expensive fuels in transport." In 2017, FuelsEurope directly engaged the EU Commission in to oppose a proposal for zero-carbon vehicle sales mandates, as well as EV subsidies.

How FuelsEurope's climate lobbying compares with key members