

## PUBLIC CONSULTATION

## Revision of the Energy Taxation Directive

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With this statement, WVMetalle would like to take the opportunity to add some additional aspects to the answer to the EU Commission's questionnaire.

One central policy objective of the council conclusions on the ETD is to preserve the competitiveness of the EU's industry. This objective has to be a central aspect of the Commissions forthcoming proposal on the ETD Revision as well. This has also to be considered when there is a stronger focus on taxes on the energy content.

It is necessary to keep the current exemptions for energy-intensive industries for those energy-intensive business competing globally partial or full taxation exemptions applied on fossil fuel do not contribute to increase their consumption. Energy cost is already a significant component of the cost of production of energy-intensive industries. Thus, the incentive to reduce energy consumption exists today for energy intensive industries.

Avoid double taxation for carbon with ETS: to ensure that any change of the ETD does not overlap with the ETS or lead to double taxation. In case of introduction of a carbon tax, activities covered by ETS should be fully exempted.

A revision of the ETD may strengthen the level playing field across the EU internal market. But furthermore, it also has to consider the effects on the international playing field with third countries. Electricity prices in the EU are already high compared to the global competitors. Further climate protection measures such as coal phase-out in Germany will lead to a further rise in energy costs.

Under 4 *"General context for the revision of the ETD"* we want to give a further comment to the question *"Which of the following priorities are important for the EU Energy Taxation Directive (ETD)?"*:

- If the ETD Revision takes into account energy content (or greenhouse gas emissions) in the definition of rates, it has to be with no burdensome effects.

Under 6.1 *"Minimum Tax Rates"* we want to give a further comment to the question *"Which options do you consider as relevant for minimum tax rates?"*:

- Numbers 2, 3 and 4 are no reasonable options for the taxation of energy products or electricity from our point of view.

In Chapter 8 *"Lower Carbon products and applications"* we'd like to add that there does not seem to be enough biofuels to provide an adequate supply (your question: In the absence of a tax structure for minimum tax rates (including energy content and/or greenhouse gases emissions), do you think that the Energy Taxation Directive need differentiated tax treatment for selected fuels (e.g. advanced biofuels and synthetic fuels) and applications?).

In Chapter 8 *"Lower Carbon products and applications"* we want to underline that hydrogen production should be open to all types of technology.

**Berlin, 14. October 2020**

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