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Cerame-Unie Annex to reply to the ETD public consultations

As reflected in the recitals of the Energy Taxation Directive (2003/96/EC), one main objective of this Directive is to ensure the proper functioning of the internal market.

Following this approach, the legislator considered that such minimum harmonisation of taxation levels was mainly justified for heating or motor fuel, two areas where the functioning of the internal market was undermined by the lack of harmonisation. Accordingly, Recital (22) of the Energy Taxation Directive (2003/96/EC) states that *“Energy products should essentially be subject to a Community framework when used **as heating fuel or motor fuel**. To that extent, it is in the nature and the logic of the tax system to exclude from the scope of the framework dual uses and non-fuel uses of energy products as well as mineralogical processes. Electricity used in similar ways should be treated on an equal footing.*

The functioning of the internal market should remain a main objective of the Energy Taxation Directive and for this purpose, all energy uses mentioned under Article 2.4 (b) of Directive 2003/96/EC should remain outside of the scope of the ETD. Moreover, the objectives of decarbonisation, energy efficiency, promotion of renewables are already well addressed under the ETS Directive, the Energy Efficiency Directive or the Renewables Directive. Introducing taxation on non-fuel uses of energy products creates overlap and inconsistencies with the rules established under these directives.