

[REDACTED] (GROW)

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**From:** [REDACTED]@cefic.be>  
**Sent:** 10 June 2015 10:56  
**To:** [REDACTED] (GROW); [REDACTED] (GROW); [REDACTED] (GROW)  
**Cc:** [REDACTED];  
**Subject:** RE: RE: Our meeting yesterday  
**Attachments:** Emissions data and estimates.docx  
**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

Dear all,

Further to my previous e-mail, and as promised, I attach a non-paper setting out the historical record of emissions reductions in our sector (based on EEA data - <http://www.eea.europa.eu/data-and-maps/data/data-viewers/greenhouse-gases-viewer> ) and an estimate of what might be achievable by 2030.

The forward estimates are based on an assumption of constant production. The headline conclusion is that we could expect to achieve total GHG reductions of about 61% from 1990 levels. A top line summary is:

- (a) Historical reductions of N<sub>2</sub>O and F-gas emissions are not repeatable.
- (b) The historical trend for reductions of CO<sub>2</sub> emissions from “fuel and power” is expected to continue, and will be maintained by incremental efficiency gains (notably those envisaged under the SPIRE PPP) of c1% per annum.
- (c) Process emissions of CO<sub>2</sub> remain constant (a function of the constant production assumption).

The expected gains fall significantly short of the 43% reduction from 2005 levels that is envisaged as the target for the coming ETS reforms. That target could require us to reach a 70% reduction from 1990 levels, roughly twice what is thought to be achievable from where we are today.

The next question, which we are starting to address, is how these estimates might interact with different scenarios for growth and/or decline. Clearly, at any given level of efficiency, if we reduce production in the EU then the emissions will fall faster: and if we are asked to do more than can be achieved by technically feasible efficiency gains, then the shortfall can only be made up by reducing production. Equally, if production increases then, at a given efficiency level, emissions would fall slower or increase. Binding targets then set the level of efficiency gains needed to stand still: and make even greater gains a condition precedent for growth.

In practice I think the real outcome will not follow this simple linear model: and will turn on things, especially investment decisions, that would require a non-linear analysis. I’m still scratching my head a bit about how to address this effectively.

Anyway, I hope the attached paper helps.

Best,

[REDACTED]

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**From:** [REDACTED]  
**Sent:** Friday, 5 June 2015 12:15 PM  
**To:** [REDACTED] - European Commission; [REDACTED]@ec.europa.eu'; [REDACTED]@ec.europa.eu'

