

Meeting with FuelsEurope, 30 September 2022

Participants :

- FuelsEurope : [REDACTED], [REDACTED]
- DG TAXUD: Gerassimos THOMAS, [REDACTED], Benjamin ANGEL, [REDACTED], [REDACTED], [REDACTED] (note-taker)

[REDACTED] FuelsEurope, [REDACTED], expressed concern for the introduction of a solidarity contribution included in the Commission proposal for a Council Regulation on an emergency intervention to address high energy prices, issued on 14 September. FuelsEurope found that this could be a one-off contribution, which should not become a regular tax to the fuel industry leaving it with no profits. In that case, firms in the fuel industry would not be able to invest for their green transition. In this regard, FuelsEurope argued that the Commission has not made enough effort to ensure that the fuel industry could transition to biofuels. While electrification of vehicles could help the green transition, FuelsEurope consider complementary solutions and an overall strategy to the green transition of the fuel industry should have also been considered.

The Director-General of DG TAXUD, Gerassimos Thomas, explained that Regulation proposed by the Commission was adopted by the Council on that very same morning. He recalled that the solidarity contribution was part of an integrated and interdependent package of measures proposed and adopted in view of the extraordinary situation the UE is facing. The very high energy prices currently faced by consumers have generated exceedingly large financial gains not only for electricity generators with lower marginal costs, but also for companies in the oil, gas, coal and refinery sectors. These gains have been primarily due to favourable external market factors caused by the Russian war and not by companies' own additional efforts or investments. These high energy prices created hardship for EU households and businesses, drove up inflation and necessary support measures raise public expenditure. That is why, against that framework, these extraordinary measures were proposed by the Commission to seek, inter alia, to mitigate the impact of high electricity prices and protect consumers, while preserving the benefits of the internal market and a level-playing field.