

PRESS RELEASE

Member States, Commission, MEPs and Industry held the first meeting of the Forum for EU Refining and discussed the situation of the EU refining industry, including both non EU competitive pressures and the impact of EU legislation.

Brussels, 16 April 2013: At the first meeting of the Forum for EU Refining, held on Friday 12 April 2013, comprehensive discussions on the situation of the industry covered several topics. These included the competitive pressure now felt from Russia and the US unconventional energy “revolution”; two particularly high risk implementing measures - Fuel Quality Directive Article 7A and the Refining BREF under the Industrial Emissions Directive; and an update on the status of the Refining Fitness check. EUROPIA welcomed this inaugural Forum, but called on the EU to address urgently the pressures created by EU legislation.

Under the leadership of DG Energy, the Commission held the first Forum for EU refining. This gathered an audience of a hundred participants, with Commission representatives from DGs Energy, Enterprise, Environment and Climate Action, JRC, , Member States, the European Parliament, industry, and notable experts such as IEA, Clingendael and IHS CERA and other stakeholders.

Chris Beddoes, Director General of EUROPIA underlined that *“the European refining industry recognises the leadership of Commissioner Oettinger and DG Energy in this initiative and welcomes the broad attendance, in particular of many DGs of the Commission and many Member State”*.

The refining industry stressed once again the competitive issue it is facing, Mr. Peter Mather, Executive Committee member of EUROPIA Board and BP Regional VP Europe, speaking on behalf of EUROPIA stressed that *“the competitive situation of the industry has not improved since the Roundtable in May 2012”*. He added that *“the current Commission proposals to implement FQD Art.7a and Refining BREF (IED) are likely to add even more pressure on the industry’s competitiveness”*. Peter Mather therefore emphasized the importance of the planned fitness check, stressing the sense of urgency and the need to assess all legislation in place or under implementation. Until this is complete, he called for a suspension of any new measures that might further add to the competitiveness burden.

The IEA and Clingendael Institute both stressed the external competitive pressure which EU refining increasingly faces from the US unconventional oil and gas and from Russian refining strategy. They highlighted the risks of increased import dependency on security of supply and potential price volatility.

DG Enterprise presented the status of the refining fitness check, which is close to finalisation. They indicated completion not before end September 2014. Chris Beddoes commented *“if we want this fitness check to provide a realistic and clear picture of the industry’s situation, it must look at all legislation which currently impacts the sector. We also believe it could be accelerated in order to arrive more quickly at concrete recommendations”*

The Forum also offered the possibility to exchange views on the Fuel Quality Directive, Article 7a, and the refining BREF under the Industrial Emissions Directive. Many Member States intervened to express their concerns about aspects of the Commission implementing proposals. Chris Beddoes welcomed the participation of DGs Climate Action and Environment to summarise work in progress, but commented that there is still much work to be done on both these issues but considered that *“the inclusion of FQD and IED on the Forum’s agenda demonstrates that the Commission acknowledges the need for a broad debate on the competitive risks associated with these issues, amongst others, on our industry”*.

The next meeting of the Forum for EU refining is scheduled for the autumn 2013.

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EUROPIA represents the European Petroleum Industry, the downstream sector of Europe's oil industry.

EUROPIA is an organisation whose 42 members account for more almost 100% of EU petroleum refining capacity and some 75% of EU motor fuel retail sales.

EUROPIA as a leading Industry Representative aims at contributing pro-actively and constructively to the development of policies to safeguard the secure and sustainable manufacturing, supply and use of petroleum products by providing competent and expert advice to the EU Institutions, Member State Governments and the wider community.

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