

Public consultation on the EIB Energy Lending Policy

Q1: Do paragraphs 15-27 above provide a reasonable characterisation of the long term energy transformation? Are there additional dimensions that the Bank should consider when reviewing its Energy Lending Policy?

Q2: As set out in Box 1, the Bank believes it has a robust framework to ensure that energy projects being financed are compatible with long-term climate targets. Do you agree? Are there areas where the Bank can improve?

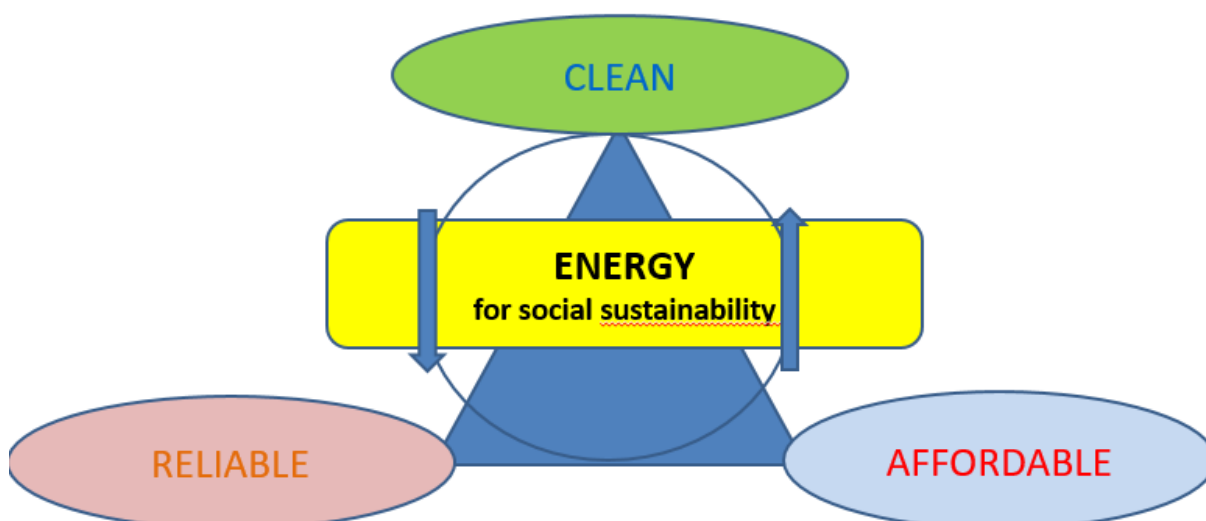
28 March 2019

Dear Madam, Dear Sir,

We congratulate the EIB for this public consultation on, indeed, a very central priority for our society today and tomorrow: the reduction of the GHG footprint of energy. This consultation is timely at a moment when the European Institutions are discussing the European Commission Proposal of last November (just before the COP24) seeking carbon neutrality in 2050 for the whole EU.

Energy is the blood of a sound economy: it must be reliable in supply (which is more than security of supply), it must be affordable for households and allow our industry to be competitive in the global world.

A sound Energy Policy – also from a lending perspective – needs therefore to be based on three pillars: Environment, Economics, Security of Supply – in other words, Energy must be Clean, Affordable and Reliable – all making Energy Sustainable for Society.



We therefore fully support the EIB Energy Lending Policy focus on Renewable Energy Sources, increased Interconnections, Energy Efficiency and Demand Side Management measures.

We fully strongly support the principle of avoiding all lock-in into fossil fuels, banning coal from the outset, but also avoiding any long term reliance on gas. Replacing coal by gas is not an option. Investments in the gas sector should not be supported by EIB lending tools.

But we do not understand why there is no specific mention of nuclear energy in the document. Nuclear energy is “fully” carbon free (equivalent to windpower and better than solar PV). It is today providing more than 25% of the electricity consumed in the EU with a track record of affordability and reliability. The case of France is exemplary: electricity there is twice cheaper than in Germany, and much cleaner.

Some may dream of a silver bullet solution which would be perfect from all sights, but as far as we can see, there seem to be no magic energy technology which would allow reaching deep decarbonisation in a reasonable time frame without recourse to nuclear energy for electricity, and even direct heat production, for a part of the energy mix.

The Euratom Treaty, as one of the founding Treaties of the EU, is a promotional Treaty for nuclear energy. While we note that this is frequently opposed by some Member States, one may consider that the position of the European Commission (Commissioner Vestager DG COMP) in the recent case of the PAKS II Power Plant in Hungary recalls the promotional dimension of the Treaty.

It is for each Member State of the EU to decide to include or not the recourse to nuclear energy into its plans for a carbon neutral energy mix at the horizon of 2050. And therefore, the EIB, as, in a way, representing all sensitivities of the Member States, and considering the promotional dimension of the Euratom Treaty per se, should not sideline nuclear energy from its Energy Lending Policy.

We therefore hope that nuclear energy will be specifically inserted into the list of low carbon energy options into the final document of the EIB on its Energy Lending Policy.

Respectfully Yours,

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