

Security. Investments. Dialogue. ORLEN views on energy transformation.

ORLEN Group is committed to climate and environmental protection with the goal of achieving climate neutrality by 2050 in line with Paris Agreement. Our activities revolve around sustainable energy transition, emissions reduction as well as development of low- & zero-emission energy sources and fuels, while ensuring energy security and affordability for households and business customers.

EU Competitiveness

Technological neutrality

Climate neutrality by 2050 should be implemented at a pace that takes into account the economic situation of individual Member States, geopolitical context, technological conditions and social costs. Including a full spectrum of zero- and low-carbon technologies will reduce the cost of the transition and increase its efficiency, while maintaining production and workplaces within the European Union.

Safeguarding competitiveness

The main challenge is to design and implement Clean Industrial Deal that will effectively support the EU industry and workplaces. It is crucial to increase the competitiveness of EU industry and protect Union economies from the import of products with higher carbon footprint.

Energy security and supply of fuels and raw materials

The COVID-19 pandemic and Russia's invasion of Ukraine have proven the need to build value chains within the EU and the necessity of cooperation with reliable partners. It is crucial to support domestic fuel production and development of the biofuels value chains, as well as the extraction of raw materials that contribute to energy transition.

Financing Decarbonization

Incentives for investments

Projects using decarbonization technologies, which are often at an early stage of development, are extremely capital-intensive and their profitability is often uncertain. Regulations should create incentives for investment in the zero- and low-carbon technologies.

Direct financial support

Adopted regulations need to be supplemented with funds allocated to Union's specific regions. They should support the construction of energy infrastructure and production capacities for key fuels and decarbonization technologies. OPEX instruments providing economic incentives for investing in the Union should also be considered, reducing the uncertainty related to medium- and long-term amortization of decarbonization projects.

Socio-economic conditions

It is necessary to analyze the social impact of regulations affecting households in terms of mobility, heating or access to energy - especially in Central and Eastern Europe. Decarbonisation process shall take into account just transition concept.

Better Regulation

Incentives, not penalties

EU regulations introduce penalties for not meeting set objectives. Their implementation often entails high and disproportionate economic costs, which can have negative impact on business results, economic growth and well-being of EU citizens. Regulations ensuring economic rationality and investment incentives are needed.

Reduce red tape and make business easy

It is necessary to reduce excessive reporting, avoid regulations that are prescriptive and overly detailed, ensure regulatory consistency and adapt legislation to the technological, economic and social realities of each Member State.

Dialogue

ORLEN S.A. aims to achieve the goal of climate neutrality by 2050. At the same time, it stresses the need for ongoing dialogue between the EU institutions and the energy and industrial sectors. It is the only way to lead decarbonization process in a sustainable and effective manner.

Key policy asks



Petrochemicals

01. Implement competitiveness policies and tools to maintain workplaces and take into account the impact of emission costs and energy prices on the competitiveness of EU industry.
02. Strengthen protection of the EU market from high-emission products by including additional products to the CBAM mechanism, i.e. from the fertilizer and petrochemical sectors.
03. Create regulatory framework for the real uptake of low-carbon technologies and circular economy (i.e. chemical recycling) that support decarbonization processes.



Natural gas and upstream

01. Recognize the use of natural gas as a transition fuel to decarbonize the EU economy.
02. Recognize low-carbon gases in transport and energy intensive industry that lead to their gradual decarbonization.
03. Decarbonise hard-to-abate industries through regulatory and financial support for carbon capture and storage (CCS) technologies and CO₂ transportation infrastructure.
04. Recognize indigenous natural gas production as an important stabilizer for decarbonization processes and energy security.



Transport

01. Recognize the importance of low-carbon fuels that support the decarbonization.
02. Broaden the scope of technologies and materials for the production of biofuels and biocomponents and ensure biofuels value chains in the European Union.
03. Minimize social costs by adopting a sustainable pathway to decarbonize transportation in the European Union.



Electricity and heating

01. Stabilize electricity system with gas units, and ultimately SMRs.
02. Retain the status of natural gas and nuclear power as transitional fuels within the EU taxonomy.
03. Decarbonize individual heating in a sustainable manner, taking into account economic and social costs.
04. Keep capacity mechanisms as an integral part of the energy market.

Include regional dimension in impact assessments and keep ongoing dialogue with the industry.

ORLEN is an integrated multi-utility group operating mainly in Central Europe. We provide energy and fuel to more than 100 million people in Europe, and our products are sold in nearly 100 countries on 6 continents. The company's activities range from oil and gas production to the processing and sale of petroleum products, as well as the generation and distribution of energy. ORLEN intends to be a leader in the energy transition process in the region by implementing innovative and sustainable technologies, with a particular focus on low- and zero-emission energy generation. Taking into account the long-term perspective is in line with ORLEN's strategic goal of achieving carbon neutrality by 2050.