

Germany is seeking support on the EU forum for subsidising mines

Germany wants to push through changes in the European Commission's draft regulation on subsidies for coal mining, which is not in line with the German strategy for this sector.

Germany is planning to subsidise mines until 2018, with a possible extension, while the EC has proposed ending the subsidising of hard and brown coal mines by 2014. Germany and other countries which support coal mining have not received sufficient backing from other member states to make the EC take a different stance. However, the EU Commissioner for Energy Günther Oettinger in an interview for *FAZ* suggested that Germany could succeed in modifying the EC's draft regulation in part by withdrawing from the option of extending the period of subsidisation beyond 2018. In 2007, Germany adopted a strategy for subsidising hard coal mines until 2018, hoping thus to avoid the sudden liquidation of approximately 26,000 jobs in that sector. The strategy also supports the mining equipment industry. Germany even considered an option of extending the subsidies beyond 2018, following a revision of the hard coal sector in 2012. However, the draft regulation adopted by the EC this July, which is to replace the Council's regulation of 2002 from the beginning of 2011, allows for subsidising unprofitable mines set for closure only until 2014.

Oettinger's statement for the German press confirms that behind-the-scenes efforts are being made to amend the EC's draft regulation. The countries which support the coal mining sector (Germany, Poland, Spain and Romania) must win at least 255 votes in the Council of the EU to make a modification of the regulation possible. <ŁAN>