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UNICE SATISFIED WITH VOTE ON EMISSIONS TRADING

UNICE welcomes the vote by the European Parliament at its plenary session on 2 July to accept the compromise package of amendments on the European Emissions Trading Directive.

“This is an important development,” said Mr de Buck, UNICE’s Secretary General, “the early finalisation of the Emissions Trading Directive provides European business with the certainty it requires to begin planning for emissions trading which will commence on 1 January 2005. Member States now have the option to issue allowances free of charge for the whole period from 2005 to 2012, thereby avoiding placing another cost on EU industry.”

Mr de Buck added, “We would like to acknowledge the pivotal role played by the Parliament rapporteur, Jorge Moreira da Silva (PPE-DE, Portugal) in reaching this compromise, in particular the open and transparent way he conducted discussions with all stakeholders”.

It is anticipated that the Emissions Trading Directive will be applicable to up to 14,000 installations throughout the European Union and Accession States. Emissions trading will be one of the tools that will assist Member States in achieving their targets to reduce greenhouse gases under the Kyoto Protocol, and may also help companies in meeting their emission reduction commitments in a cost-effective manner.

“This is only the first step,” noted Mr de Buck, “UNICE urges Member States to rapidly develop and publish their national allocation plans in an open and transparent manner and in full consultation with those businesses affected. Only in such a process can there be a fair and equitable distribution of emission allowances.”

In line with the concept of geographical flexibility agreed in Kyoto, it should also be possible to achieve the objectives for reduction of the EU’s greenhouse gas emissions thanks to investment projects outside the EU (in the framework of Joint Implementation - JI - and the Clean Development Mechanism - CDM). The future directive to be proposed by the Commission concerning these mechanisms should provide a further opportunity to introduce more flexibility and greater cost-effectiveness, thereby protecting the EU’s international competitiveness. UNICE believes that the introduction of emission credits into the EU emissions trading scheme from JI and CDM projects should not be subject to artificial limits, as has been proposed by the Commission’s Environment General-Directorate and some Parliamentarians.

Note to the editor:

UNICE represents more than 16 million small, medium and large companies active in Europe, employing over 106 million people. Active in European affairs since 1958, UNICE’s members are 35 central industrial and employers federations from 28 countries, working together to achieve growth and competitiveness in Europe.