



Mr Ladislav Miko
President of the EU Environment Council
Minister of Environment of the Czech Republic
Vršovická 65
Praha 10
110 00
Czech Republic

18 June 2009

Dear President,

BUSINESSEUROPE has been made aware of on-going discussions in the Council around the idea of introducing in the Industrial Emissions Directive (recast of the Integrated Pollution Prevention and Control Directive) provisions that could open the way for EU-wide trading in NO_x and SO₂ emissions.

I would like to draw to your attention the serious concerns of European business about the idea of establishing an EU-wide trading scheme on NO_x and SO₂ emissions. There are four principal reasons for this:

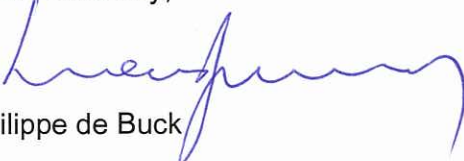
1. existing policies are effective to reduce industrial emissions,
2. EU-wide trading is unsuitable for local and regional issues,
3. risks of unfair effort-sharing between industrial and non-industrial sectors,
4. poor outlook in terms of cost-effectiveness.

You will find details on BUSINESSEUROPE's views in the attached position paper.

BUSINESSEUROPE acknowledges that policy-makers need to continuously address the challenges arising for controlling NO_x and SO₂ pollution from industrial and non-industrial sectors. Member States facing difficulties in implementing emission reductions goals may need flexibility regarding the policy instruments that can be used for reaching these goals. However, BUSINESSEUROPE in no way sees the establishment of an EU-wide NO_x and SO₂ emissions trading scheme as a possible solution to be considered in that context. Therefore, BUSINESSEUROPE believes that it would be very detrimental to include in the Industrial Emissions Directive an open-ended reference to trading in NO_x and SO₂, that could lead to an EU-wide scheme.

I trust that you and your fellow Ministers will consider these views carefully when finalising your discussions in view of the Environment Council on 25 June 2009.

Yours sincerely,


Philippe de Buck

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