



News release
For immediate release

ETS: EU Member States should stand up for industry's global competitiveness

(28 April 2015, Brussels) On 29 April, EU Ambassadors will negotiate on the European Commission proposal on the EU ETS Market Stability Reserve (MSR), followed by negotiations of the European Parliament, the European Commission and EU Member States (second "trilogue" negotiation on 5 May).

Markus J. Beyrer, BUSINESSEUROPE Director General commented:

"To bring back confidence for the ETS, it must work for every sector and business. This will happen only if a possible earlier start of the Market Stability Reserve - before 2020 - is accompanied by new measures to keep energy-intensive industries within Europe. We expect EU Member States to take a strong stand on this as it is the only way to safeguard those EU industry sectors. High energy prices in the EU hamper industry's global competitiveness. Carbon leakage must be avoided."

BUSINESSEUROPE supports the MSR with a start post-2020 as originally proposed by the European Commission. That is the best way to ensure a holistic and timely reform of the scheme within the context of the 2015 revision of the ETS directive.

In light of the ongoing negotiations and calls on some Member States for an anticipated start of the MSR, BUSINESSEUROPE calls on decisions-makers to clearly link it with upgraded carbon leakage measures before 2020. The resources provided by the MSR must be used to earmark backloaded and unallocated carbon allowances for innovation as well as for dedicated carbon leakage purposes. The earlier the MSR starts, the earlier it impacts on carbon and electricity prices. Therefore, any anticipation of the start date should be clearly coupled with new provisions on carbon leakage for both direct and indirect costs.

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