Question for written answer E-011488/2015
to the Commission
Rule 130
Barbara Kappel (ENF)

Subject: Overhaul of the emissions trading scheme

On 15 July 2015, the Commission announced that as part of the overhaul of the emissions trading scheme (ETS) the number of energy-intensive industries which qualify for carbon leakage measures is to be reduced from 177 to 50 and that as from 2021 the annual allocation of free certificates is to be cut to 43%, equivalent to an annual reduction of 2.2%. There is a danger that this further tightening of the regulatory regime will serve to make manufacturing firms less competitive and prompt them to move their plants away from Europe, which would weaken our industrial fabric and make the reindustrialisation target of 20 % by 2020 appear highly unrealistic. The revised scheme would also pose an obstacle to innovation, as the new benchmarks would seem to be simply unachievable for many firms. Growth and innovation would thus be penalised, not encouraged.

1. What measures - such as the establishment of a growth reserve as a way of making effective use of the market stability reserve or the assessment of current market data on the basis of historical emissions - will the Commission take in order to offset the likely adverse, pro-cyclical impact of the current ETS reform proposals?

2. Will the Commission set new benchmarks which are technically and economically realistic, so as not to penalise the most efficient plants, by requiring them to purchase additional certificates, and discourage innovation?

3. What measures will be taken to offset the indirect CO_2 costs incurred by European firms?