

WRITTEN QUESTION E-3074/08  
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to the Commission

Subject: Analysis of the impact of the Emissions Trading System on industry

On 23 January 2008, the Commission submitted its proposals for combating climate change. One of these proposals was a new emissions trading system under which the most energy-intensive sectors would have to buy carbon dioxide emission rights.

The establishment of this emissions trading system could have far-reaching consequences for industry in Europe. For example, because of the rise in energy costs, European businesses may in future undertake their new investments outside Europe, for instance in countries where they are already operating. This could result in a gradual relocation of European businesses, which would not be good for the competitive position.

A number of studies are known - some of them performed on behalf of the Commission - which look at the opportunities that European businesses have to pass on the cost of carbon dioxide rights without losing market share. These constitute 'static analyses'. On the other hand, a 'dynamic analysis' looks at the way in which businesses and the market respond to such developments.

1. While preparing the climate proposal, did the Commission consider the impact on industry of introducing the emissions trading system?
2. If it has not yet done so, to what extent is the Commission prepared to perform a 'dynamic impact analysis'?