

## EU Climate and Energy Package Effort Sharing

### WKO Position

#### General remarks

1. We want a fair distribution of climate and energy targets among Member States - asking neither too much nor too little of any single Member State. GHG emission targets are based on environmental considerations and should therefore not be used for an economic redistribution process within the EU. Other tools can meet these economic and social targets more efficiently.
2. In areas falling under EU competence it is also for the EU to take appropriate measures to achieve the desired emission reductions. We do support the decision of the EU to exclude the ETS trading scheme from national effort sharing. The effort sharing between Member States should only cover areas, which are subject to Member States' competence.
3. Setting climate policy targets must neither weaken the competitiveness of European companies nor the attractiveness of the EU as a production location in comparison with the rest of the world. The EU must therefore work towards a global climate agreement with adequate obligations of relevant industrial, emerging and developing countries. In this respect the Union's autonomous GHG reduction target of 20% compared to 1990 already appears very ambitious.

#### Effort sharing GHG reduction

4. The distribution of targets should promote convergence among Member States in terms of structural indicators such as energy and CO<sub>2</sub> efficiency and achieved share of renewable energy. The effort sharing targets proposed by the Commission are nevertheless based on a single indicator, the GDP per capita of Member States. We believe that a more balanced approach focused on cost efficiency and based on potentials of individual Member States, should be taken into account.
5. A linear reduction of GHG emissions reductions for each Member State based on a 2% GHG emission limit is a tight benchmark. Most measures reducing GHG emissions sustainably are medium and long term measures - annual adjustments would therefore be counterproductive.
6. In case the EU increases its already ambitious 20% reduction target after a global climate agreement with adequate obligations of relevant industrial, emerging and developing countries is finalised, negotiations on distributing this target within the EU must start again to ensure a balanced and cost efficient distribution of targets. This would also increase acceptance of the effort sharing in the Member States and relevant industrial sectors.

April 2008



7. CDM certificates should contribute significantly to the fulfilment of the EU emission reduction target. The possibility to use CDM certificates to meet obligations must not be overly restricted in order to allow for a stable CO<sub>2</sub> price. In our view, the 3% limit in the current proposal should therefore be dropped or at least increased substantially.

Contact: **Isabella Plimon**, Wirtschaftskammer Österreich, Environment and Energy Policy Department  
E-Mail: [isabella.plimon@wko.at](mailto:isabella.plimon@wko.at) Tel: +43 590900 3451