

To the
Members of the
European Parliament
in the ENVI Committee
CC: ITRE Committee
Rue Wiertz 60
1047 Brussels

Brussels, 15 December 2011

ENERGY EFFICIENCY DIRECTIVE

Dear Members and Substitute Members of the ENVI Committee

On 20 December 2011 the ENVI Committee has its final committee vote on the European Commission's proposal for the Energy Efficiency Directive.

IFIEC Europe welcomes an increased attention for energy efficiency, but has already voiced several concerns about the details and scope of the Energy Efficiency Directive (EED)¹.

IFIEC Europe opposes amendments listed below aimed at modifying the total cap for phase 3 of the EU Emission Trading Scheme (ETS) by a set-aside of allowances:

- Amendment 324 (Bas Eickhout, Linda McAvan, Pavel Poc, Dan Jørgensen, Sirpa Pietikäinen, Corinne Lepage, Sabine Wils)
- Amendment 343 (Chris Davies, Vladko Todorov Panayotov, Gerben-Jan Gerbrandy)
- Amendment 353 (Kriton Arsenis)

IFIEC Europe's argument can be summarised as follows:

Firstly, any reform of the EU ETS cannot be considered without looking at a comprehensive package to protect the global competitiveness of industry in a sustainable and predictable way, while at the same time improving the effectiveness of the scheme.

That means EU ETS should not be adjusted by ad hoc measures, which would undermine the confidence of the market players of the scheme. Instead, structural improvements are needed to simplify the rules and to remove the many remaining flaws of the scheme

Secondly, the gap between missing and achieving the energy efficiency target of 20% in 2020 through the adoption of the EED, is no justification for a set-aside or any other supply response measures. After all, the energy efficiency target of 20% was already part of the binding green package agreed by the Heads of State on 15 December 2008.

The real reason for the debate about a set-aside is the flawed ex-ante approach of the EU ETS. The ex-ante approach causes an overhang of allowances during crisis and a cap on

¹ IFIEC Comments and Press Release on the EED are released on our webpage.

growth during favourable economic circumstances. IFIEC suggests re-opening the debate on the ex-ante versus ex-post approach.

Thirdly, this Directive (EED) is not the appropriate place to make or signal adjustments in another one (EU ETS).

Each Directive has its own basis, scope and goals to be achieved. The EED is based on the Commission's Energy Efficiency Plan to set out measures for achieving improved efficiency. On the other hand the Directive on EU ETS focuses on a trading scheme on emission allowances. To mix scopes and goals of different Directives means watering them down and undermining our basic legal idea and system in the EU of evaluating different issues separately by still fulfilling the requirement of congruency.

The EU ETS needs predictable, robust and recession-proof rules to improve the global level playing field. Therefore we ask you not to support the above mentioned amendments concerning set-aside.

IFIEC Europe is at your disposal for any required clarification of the above mentioned points and is convinced that their inclusion in your considerations would enhance the effectiveness and trust in the EU ETS.

Yours sincerely,



Dr Annette Loske
Chairwoman WP Climate & Energy Efficiency, IFIEC Europe

IFIEC Europe represents energy intensive industrial consumers where energy is a major component of operating costs and directly affects competitiveness.