



**Press Release**

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## **EU Climate and Energy Package Reaction:**

### **Lessons learned but class not dismissed!**

Brussels, Belgium. Climate Action Network Europe (CAN-Europe) welcomes the European Commission's Climate and Renewable Energy proposals released today for they show some improvements in the way European Climate Change policy targets and instruments are implemented. However, despite the lessons learned, CAN-Europe fears that the proposals fall short of realising the 2020 Climate and Energy targets which EU Member States agreed to in the Council of March 2007 and at the UNFCCC summit in Bali in December 2007.

The review of the EU Emissions Trading Scheme (ETS) provides a stark example of this. On the one hand its implementation has been streamlined with the introduction of harmonised allocation methodologies and a cap to be set at EU level; on the other hand exemptions for industrial installations and the lenient use given to external credits are dangerous loopholes in the proposal, which will prevent the necessary introduction of a carbon price to all parts of the production chain.

"The ETS proposal will go some way to limit the industry-driven gaming by some Member States, we saw in the past. However serious loopholes in the proposal, introduced by industry lobbies, reflect a missed opportunity. The current proposal therefore will not fully set industry on a path to a climate-friendly future" stated Tomas Wyns, Policy Officer for CAN-Europe.

The European Commission's effort sharing methodology is also welcomed as the decision has the potential to be transparent and equitable to member states. However, this does not cancel out the fact that the 20% reduction level in the proposal is wholly inconsistent scientifically with the EU's own long standing goal of keeping global average temperature increases below 2 degrees C. It is also far lower than the 25 - 40 per cent reduction range by 2020 for industrialised countries, supported by the EU in Bali. "Furthermore as the 20% reduction effort does not have to be fulfilled domestically, Member States and industry can, and will, buy their way out of reducing greenhouse gases by purchasing external credits. CAN-Europe calls for the EU to achieve at least a 30% reduction domestically by 2020 and to achieve substantial further emission reductions internationally using the Kyoto mechanisms." said Tomas Wyns.

It is now up to member state governments and their representatives in the European Parliament to answer the calls of its citizens. They must now commit to strengthening this legislation by closing the loopholes and truly set the European Union on the path towards achieving its community wide and international obligations. "Today's proposals could confirm EU leadership in the international policy arena, on the condition that they are strengthened. Member States and MEPs now need to work together to achieve this and not stand in the way" declared Matthias Duwe, Director of CAN-Europe.

*More info on the package is available on our website:*

[http://www.climnet.org/EUenergy/Energy\\_Europe.html](http://www.climnet.org/EUenergy/Energy_Europe.html)

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