



EDITORIAL

ETS - CEMBUREAU calls for clear plant rationalisation rules

A sense of urgency prevails in the European Commission and many Member States as the full set of Guidance Documents on Allocation Rules are not yet completed and the deadline for Member States to propose their plans for free allocation to the Commission by end September 2011 is approaching fast.

In fact, at the time this Eurobrief goes to press, all Guidance Documents but one - Guidance Document 7 "New entrants and plant closures" - have been finalised. This work shows once more how the devil is in the detail. Detailed work it has been for CEMBUREAU, which is reasonably satisfied with the outcome.

One key element, however, is missing: clear rules for capacity rationalisation. From the very early stages when, back in 2003, the future ETD was discussed, CEMBUREAU stressed that industry should be allowed to close operations which are not the most CO₂ efficient with the possibility to transfer the corresponding allowances, across borders, to a more efficient plant. This is very much in accordance with the spirit of the ETS. Yet no clear rules were set then and are still lacking today.

Certain Member States have up to now made their own rules, it was common sense. This was the case in Germany.

Repeated calls from CEMBUREAU and some other industries have been ignored. The last chance to get clear rules spelled out is in the Guidance Document 7, the only one still under discussion.

Will the German government stand up for this as many hope it will? No government, however strong, feels comfortable to put its neck on the block if it does not feel some support in Council. CEMBUREAU calls upon governments to take this issue seriously and get their act together for this is in the benefit, not only of all industry, but also of the environment.

Follow up to *Editorial of April 2011 Eurobrief 1*

1 Erratum the Directive on Taxation of Energy Products was wrongly referenced as 2003/87/EC instead of 2003/96/EC