

Dear sir, madam

I have my concerns about the new proposal of the commission to adjust the EU-ETS. And more important the faith of the commission in EU-ETS as a possible key solution in combating climate change. Up till now the EU emission trading system has failed to achieve its objectives. There are many reasons to be concerned that the system is not fit for purpose.

- The system is too complex and even with the options to stabilize the price of carbon permits the system will still be very complex. Loopholes create possibilities to use the system to gain lots of money with the trading system instead of fighting climate change. The idea to create an international system holds a risk that the country with the lowest standards (for instance high percentages of poorly verified offsetting) would effectively set the benchmark for everyone else.
- The cap is still based on projections of industrial emissions years into future. This can not provide a reliable price signal.
- The commission proposes to limit the access to international systems. It should not limit it but not allow at all. By allowing European industry to buy international credits they can keep emitting huge amounts of GHGs. And the idea to create wealth for less developed countries by selling emission credits does not work as predicted either. It is a fact that local, not educated people from developing countries do not know what the whole system is about and how much money is involved. The money gained with trading carbon credits does not flow to indigenous people or local communities.
- One can ask himself in which way the industrialized countries have the right to create an international trading system. This trading mechanism concerns the livelihood of local communities that have not had a single change to help constructing it.
- The commission asks to increase the EU emission target to 30 %. This is inevitable: the EU emission target should be 40 % at least. It should certainly be focused on a domestic European level. The problem remains that emissions in Europe are too high, not those in developing countries.
- The commission proposes to retire a number of allowances to reduce the surplus. If the commission would not recommend this, industry can keep polluting and justify its emissions with their surplus on allowances. But there is no point in retiring a number of allowances and keep on giving away allowances for free.
- The trading system allows it that the consumers have to pay for the costs of reducing emissions. Energy companies and other big industries say that these measures have a price. And at the end the customer can pay for these so called investments the industry is making. But a customer has no other choice to choose for the products or services these mega concerns provide. And if they charge an extra cost for the reduction of their emissions then one has no choice but to pay for it. The commission should support law proposals that make polluting companies pay for the emission reduction. This means that profit and financial benefit for a small group of "high capital" owners will be much lower.

- The EU-ETS causes that less attention flows to other more simple and effective measures such as budgetary reform, tougher renewable and energy saving targets, tougher CO2 taxation, tougher efficiency standards, more national legislation, proposals to keep the remaining fossil fuels in the ground instead of using it.

Yours sincerely

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