



Consultation on structural options to strengthen the EU Emissions Trading System

Period of consultation: 7th of December 2012 to 28th of February 2013

Contribution of the Association of the Austrian Cement Industry

The Austrian Cement Industry is represented in seven provinces of Austria. Cement clinker is produced on nine different production sites. In the year 2011 the turnover of the cement-branch reached a level of 392 million Euros. In 2010 nearly 40 million Euros (=5.1% share of the gross value) have been used for realizing investments to lower emissions, to raise energy efficiency and to protect the environment.

Following the invitation to contribute to the consultation on structural options for strengthening the EU Emissions Trading System (EU-ETS) we want to express our opinion, in which **we strongly oppose any proposal that introduces changes in the third trading period**. We base our opinion on the following facts:

1. The third period of the emission trading scheme has just begun 2 months ago.
2. A predictable legal frame and planning reliability are essential for companies within the EU-ETS.
3. For ensuring planning predictability, it is important that long term rules are respected and remain unchanged.
4. We do believe that the current emission-trading-scheme reaches its overall objective to lower emissions by -21% until the year 2020 compared to the year 2005.
5. The "cap and trade" principle guarantees that this target is reached independent of the price level.
6. No international agreement on binding CO₂ emission reductions including all major emitters has been concluded so far.
7. Any intervention with the aim of increasing the price of emission allowances would heavily burden businesses, already affected by the economic crisis.
8. Any actions increasing the burden for European industries would therefore further weaken the competitive position of EU industry.
9. Arbitrary interventions undermine businesses' ability to plan and will subsequently preclude future investments.
10. A simple and consistent legal framework that provides stability over the period envisaged is the best instrument for all participants to ensure their commitment to the European economy.

Nevertheless we call for an integrated approach aiming at a regulating scheme from 2020 on, which takes into account climate change, energy, industrial policy and resource efficiency and that

- ensures predictability,
- provides a level playing field and
- stimulates long-term growth, jobs and investments in Europe.

For any further questions we remain at your disposal. With regards,

Signed by Sebastian Spaun and Felix Papsch
Department for technology and environment