

# ETG

**The UK Emissions Trading Group Ltd**

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By email

European Commission  
Directorate-General Climate Action  
Unit B1 – Implementation of ETS & Unit A4 - Strategy and  
Economic Assessment  
Avenue de Beaulieu/ Beaulieulaan, 5  
B-1049 Brussels, Belgium.

Dear Yvon Slingenberg & Stefaan Vergote,

**Response to the European Commission's consultation on review of the auction time profile for the EU Emissions Trading System.**

The UK Emissions Trading Group (ETG) draws its membership from emitters, UK trade associations, traders and the investment community, as well as service providers such as verifiers, lawyers, consultants, accountants and other professions. The ETG's membership represents some 95% of UK carbon emissions covered by the EU Emissions Trading System (EU ETS).

On the issue of auction backloading, the vast majority of ETG members are against such intervention but there is, however, no overall consensus. As a consensus based organisation, the ETG is therefore neither able to comment on the proposal nor to recommend quantities of allowances for backloading.

There is, however, ETG membership consensus on the issue of excessive scope of the Commission's proposal to amend the EU ETS directive.

*Proposal for a  
DECISION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL  
amending Directive 2003/87/EC clarifying provisions on the timing of auctions of  
greenhouse gas allowances  
(Text with EEA relevance)*

*Article 1*

*In the first subparagraph of Article 10(4) of Directive 2003/87/EC the following sentence is added:*

*"The Commission shall, where appropriate, adapt the timetable for each period so as to ensure an orderly functioning of the market."*

The ETG believes that the proposed amendment outlined above is too broad. Unchecked, it would allow for repeated proposals by the European Commission to amend the timetable for auctioning in each period justified only by “*where appropriate*”. This begs the question of what is or is not appropriate intervention and could lead to repeated regulatory proposals to amend the auctioning timetable. This would significantly increase the regulatory risk associated with potential intervention in the EU ETS allowance market.

Finally the ETG would also like to see both the Commission’s Regulatory Impact Assessment for the backloading proposals, and the EU ETS Market Assessment Report. These are both missing from the consultation.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'A. Warris', with a long, sweeping flourish extending to the right.

Dr Anne-Marie Warris  
ETG Chair

cc. Mr Peter Zapfel – Head of Coordination office ,  
Office of Policy Coordination and liaison with DG ENV