



**Mr José Manuel Barroso**  
President  
European Commission  
Rue de la Loi 200  
B-1049 Brussels

18 April 2013

Dear President,

On 16 April, the European Parliament expressed a rejection of the European Commission's backloading proposal for the EU Emission Trading Scheme (ETS). This important vote comes after one year of intense debate over this measure and proves that a majority of stakeholders and policy makers agree with the view BUSINESSEUROPE has been advocating since the start of the process.

BUSINESSEUROPE supports the EU ETS as a cost-effective policy instrument to reduce emissions and recognizes the role it will play in the future EU climate policy. However, European business opposes the ETS backloading as it would interfere in a market-based system thereby reducing predictability for industry and investor's faith in the market. This measure would lock the EU into high energy prices and put a further burden on energy intensive industries which are struggling to recover from the current crisis.

Moreover, backloading is not needed to reach the EU 2020 targets: the EU ETS is functioning and delivers on its key objective to reduce emissions until 2020 by 21 % compared to 2005 as it was politically decided in 2008 and laid down in the ETS Directive.

**For all these reasons and in the light of the strong political opposition to this measure, we call on the European Commission to withdraw this divisive proposal.**

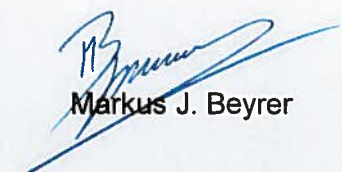
A stronger political focus is needed now on the real priorities the EU must tackle: how to secure a cost-competitive, secure and climate-friendly energy policy for 2030. BUSINESSEUROPE looks forward to constructively engage in this debate.

We are of course at your full disposal to further discuss this issue if you so wish.

A copy of this letter has also been sent to Commissioner Hedegaard, Commissioner Oettinger and Vice President Tajani.

Yours sincerely,

  
Jürgen R. Thumann

  
Markus J. Beyrer