



EUROPEAN COMMISSION

*Brussels, 15.7.2014
C(2014) 4999 final*

*Mr Milan ŠTĚCH
President of the Senát
Valdštejnské náměstí 17/4
CZ – 118 01 Prague 1*

Dear President,

The Commission would like to thank the Senát for its Opinion concerning the Communication on a policy framework for climate and energy in the period from 2020 to 2030 {COM(2014) 15 final} and the Proposal on the establishment and operation of a market stability reserve for the Union greenhouse gas emission trading scheme {COM(2014) 20 final}.

The Commission would like to recall that the 2030 policy framework aims to give Member States the flexibility they need to choose policies that best match their national circumstances, while ensuring progress towards a competitive, secure and sustainable energy system. The Commission proposal is based on extensive stakeholder consultation and economic analysis that are summarised in the Impact Assessment that accompanies the Communication. Among other things, this Impact Assessment examines the competitiveness impact of the climate and energy objectives.

With regard to the renewable energy target, the Commission would like to recall that the target would be binding at the European level, but not for individual Member States. The target would be fulfilled through clear commitments by the Member States and reviewed under the governance process suggested in the Communication.

The Commission notes that the Senát considers that the ambition of the emissions reduction target should be bound to the achievement of an agreement between the world's largest emitters on the adoption of stricter global commitments at the 21st Conference of the Parties. However, it is the Commission's position that the EU climate objective should be adopted well ahead of the Conference in order to favour the achievement of an ambitious agreement in Paris in 2015.

As to the inclusion of the transport and agriculture sectors in the EU emissions reduction target, the Commission would like to highlight that these are at present included in the national non-ETS¹ targets. Furthermore reductions in both sectors are supported through multiple EU policies such as for instance the CO₂ and cars legislation and greening measures in the Common Agricultural Policy. The 2030 proposal also indicates that the

¹ ETS = Emissions Trading System

land-use, land-use change and forestry sector should be included in the EU emissions reduction target for 2030.

Regarding biofuels, the Commission recalls that it already stated that food-based biofuels should not receive public support after 2020 {COM(2012) 595} and that the current proposal is in line with the alternative fuel strategy {COM(2013) 17}.

As regards the EU ETS, the Commission is taking action to address the persistent structural imbalance, firstly, by adopting the back loading decision and, secondly, by putting forward a legal proposal for a structural measure in the form of the market stability reserve. Having such a reserve in place will make the system more resilient to possible future demand shocks.

The EU ETS is the cornerstone of European Climate Policy. It is delivering the intended emissions reduction objectives. The Commission remains convinced that a reformed ETS is the most cost-effective way to achieve emissions reductions for the necessary transition to a low carbon economy.

The Commission hopes that these comments address the issues raised by the Senát and looks forward to continuing our political dialogue in the future.

Yours faithfully,

*Maroš Šefčovič
Vice-President*