

## EU Emissions Trading Scheme (EU ETS)

### QUESTIONS ON THE REVIEW OF THE EU ETS POST-2012

#### Review Background

The Emissions Trading Directive requires the European Commission to review the EU Emissions Trading Scheme (EU ETS). A short report is expected to be published by 30 June 2006, and a legislative proposal will be drafted in 2007. **The review will play an important role in shaping the future of the Scheme post-2012.**

The basic tenet of the review is that the structure of the EU ETS is sound and that it is here to stay post-2012. The challenge for the review is to enable the Scheme to optimise its potential to make cost effective real emission reductions in the long term.

#### The Survey

This stakeholder survey is intended to collect your initial views on what the priority areas are for the review. We are keen to hear your thoughts, and the information gathered will help shape the UK's position on the EU ETS post 2012.

It is important that the UK communicates effectively to the Commission its position on the future of the EU ETS. Establishing priorities early on with stakeholders through this questionnaire helps to build and strengthen the UK position.

The survey asks for views on how the Government should communicate updates on the review as the process moves forward. This will ensure we can engage appropriately with stakeholders on this important issue.

This survey is **voluntary**. It is intended to be answered by EU ETS operators, and other stakeholders with an interest in the functioning and development of the EU ETS.

At this early stage in the review process **we encourage you to provide short answers** as we will be carrying out a more detailed consultation exercise on the review later this year.

There are nine questions and depending on the length of your answers it is expected that this questionnaire will take between **35 and 45 minutes** to complete.

This survey is issued jointly by Defra, DTI, and the Devolved Administrations of Scotland, Wales and Northern Ireland.

## Survey Responses

Please could you submit any responses by **7 June 2006** to:

EU Emissions Trading Scheme (Review)  
Department for the Environment, Food and Rural Affairs  
3/F3 Ashdown House  
123 Victoria Street  
London SW1E 6DE

or send by e-mail to [eu.ets@defra.gsi.gov.uk](mailto:eu.ets@defra.gsi.gov.uk).

Responses should be clearly marked “**EU ETS Review Questionnaire**”. It would be helpful if you could use the template response form below when replying. If you would like a paper copy of this survey please write to the above address requesting this. Respondents in **Scotland, Wales** and **Northern Ireland** may wish to copy their responses to the relevant Devolved Administration. See contacts listed below.

Please note that information contained in your responses may be published in a summary of responses. If you do not consent to this, you must clearly request that your response be treated confidentially. Any confidentiality disclaimer generated by your IT system in email responses will not be treated as such a request. You should also be aware that there may be circumstances in which Defra will be required to communicate information to third parties on request, in order to comply with its obligations under the Freedom of Information Act 2000 and the Environmental Information Regulations.

Comments or complaints should be sent by e-mail to:  
[eu.ets@defra.gsi.gov.uk](mailto:eu.ets@defra.gsi.gov.uk), marked for the attention of Beth Child.

### Contacts on EU ETS in the Devolved Administrations

<p><b>For Scotland</b> SEERAD CCA division – Climate Change Area 1-G.2 Victoria Quay Edinburgh EH6 6QQ Email: <a href="mailto:climate.change@scotland.gsi.gov.uk">climate.change@scotland.gsi.gov.uk</a></p>	<p><b>For Wales</b> Ruth Gow Environmental Protection Division 1st Floor National Assembly for Wales Cathay Park Cardiff CF10 3NQ Email: <a href="mailto:envstrategy@wales.gsi.gov.uk">envstrategy@wales.gsi.gov.uk</a></p>
<p><b>For Northern Ireland</b> Michael O'Neill Environmental Policy Division Department of the Environment 20-24 Donegall Street Belfast BT1 2GP Email: <a href="mailto:michael.o'neill@doeni.gsi.gov.uk">michael.o'neill@doeni.gsi.gov.uk</a></p>	

## Review of the EU ETS: Questionnaire Response Form

Please leave the response box blank for any questions that you do not wish to answer. Additional comments can be recorded in continuation boxes at the end of this form.

<b>Organisation/Company</b>	
<b>Sector (if applicable)</b>	
<b>Contact Details</b>	
<b>NAP ID</b>	

For our records, please could you indicate below how you heard about this questionnaire.

<b>Defra Website</b>	
<b>Email from Defra</b>	
<b>Sector Representative</b>	
<b>Other (please specify in the box below)</b>	

**Q1. Have you begun to think about post 2012 policy for the EU ETS? If answering 'yes', please explain what effect, if any, this is having on your current planning.**

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**Q2. What role would you like to see the EU ETS playing post 2012 and what design features would be critical to it fulfilling such a role?**

**Q3. What elements do you consider are most important to creating a post 2012 EU ETS that successfully incentivises increased investment in low emission or emission reduction technologies?**

**Q4. Which of the following topics are most important to you for Phase III and subsequent phases? Please choose 3 topics and expand on any of your answers in the box below.**

<b>(a)</b>	functioning of allowance market		<b>(b)</b>	allocation periods	
<b>(c)</b>	inclusion of other sectors and gases		<b>(d)</b>	community wide benchmarks	
<b>(e)</b>	further EU –wide harmonisation		<b>(f)</b>	definition of a combustion installation	
<b>(g)</b>	new entrants and closures		<b>(h)</b>	project credits	
<b>(i)</b>	excess emissions penalties		<b>(j)</b>	accounting and taxation issues	
<b>(k)</b>	pooling		<b>(l)</b>	emission reduction targets	
<b>(m)</b>	linking to other schemes		<b>(n)</b>	treatment of small installations	
<b>(o)</b>	other (please specify )				

**Q5. In the future what do you think is the most suitable system for allocating allowances?**

**Q6. Which additional sectors or gases (if any) do you think should be included in the EU ETS beyond what is already covered?**

**Q7. In the context of the Government's commitment to better regulation, do you have any comments on how the EU ETS should be simplified post-2012 to reduce the administrative burden of the Scheme, particularly on small businesses?**

**Q8. How would you like Government to communicate work relating to the review? Please select all that apply.**

<b>(a)</b>	stakeholder event - national		<b>(b)</b>	stakeholder event-regional	
<b>(c)</b>	detailed consultation exercise		<b>(d)</b>	email alert	
<b>(e)</b>	sector / representative meetings		<b>(f)</b>	internet postings	
<b>(g)</b>	other (please specify)				

**Q9. Do you have any other comments on the review and emissions trading in Europe post 2012?**