

# EU/Switzerland Agreement: linking of their greenhouse gas emissions trading systems

2017/0193(NLE) - 30/11/2017 - Committee report tabled for plenary, 1st reading/single reading

The Committee on the Environment, Public Health and Food Safety adopted the report by Christofer FJELLNER (EPP, SE) on the draft Council decision on the conclusion of the Agreement between the European Union and the Swiss Confederation on the linking of their greenhouse gas emissions trading systems.

The committee recommended that Parliament **give its consent** to the conclusion of the agreement.

As the explanatory statement accompanying the report pointed out, **the EU Emissions Trading System (EU ETS) is the cornerstone of Europe's ambitious climate policy**. Set up in 2005, it covers industrial manufacturers, electricity producers and air traffic and is the most important tool that EU has to its disposal to reduce greenhouse gas emissions in line with the 2014 European Council objective of cutting at least 40% greenhouse gas emissions to 2030 compared with 1990 levels.

The linking of the EU ETS with the Swiss Emissions Trading System (Swiss ETS) shall enable participants in one system to use units from the linked system for compliance. Thereby the market is expanded and the availability of reduction opportunities increased, which in turn enhances the effectiveness of the emissions trading and reduces cost.

**The Swiss ETS is compatible with and has a similar design as the EU ETS.** The same gases and industry sectors are covered and the same thresholds for inclusion applies.

Furthermore, the annual decrease in the quantity of allowances in the Swiss ETS is in line with annual decrease in the EU ETS.

The only major difference is that the Swiss ETS does not cover **aviation** activities, yet. Switzerland is however preparing an inclusion in its ETS of aviation that reflects the EU ETS rules.

Therefore, the linking of the EU ETS with the Swiss ETS is a **first and important step to get other emitters to take their share of the responsibility** and meet the long term EU policy goal of linking more emissions trading systems to EU, and effectively meet our climate objectives.