

To: European Commission, CLIMA.C2 Governance &

**Effort Sharing** 

From: Danish Chamber of Commerce

5th February 2020

The Danish Chamber of Commerce's response to the public consultation of the European Commission's National emissions reduction targets (Effort Sharing Regulation) – review based on 2030 climate target plan.

The Danish Chamber of Commerce thanks for the opportunity to respond to the European Commission's revision of National emissions reduction targets (Effort Sharing Regulation) — review based on 2030 climate target plan. We strongly support the EU's climate ambitions, which raised the 2030 target to at least 55 pct. and its complementary policies and will emphasize the importance of high ambitions and common goals for the whole of the EU.

The Danish Chamber of Commerce supports option 1, which is presented by the Commission to phase out the Effort Sharing Regulation and extend the ETS to include additional sectors, which are now be included in the Effort Sharing Regulation. This option results in lower costs and higher efficiency. However, this should not necessarily result in a rollback of e.g. clean energy package, as many of these proposals are about removing barriers and correcting other market failures. These are the renewable energy directive, focus on exploiting the renewable energy potential in the North Sea, EU state aid rules, the green elements of the CAP reform, the voluntary agreement with the car industry, etc.

Furthermore, the Danish Chamber of Commerce proposes that the Commission carries out a general analysis of the socio-economic costs at EU level and for each member state for the use of price signals as the primary driving force in the green transition, and in comparison with an absence of price signals a more political plan management through detailed regulation.

Best regards,

## **Ulrich Bang**

Head of Climate and Energy