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JOINT STATEMENT

on improved transparency of interactions between the EU's carbon market and climate and energy policies at Member State and Union level

Ahead of the 2nd informal trilogue on the Regulation on the Governance of the Energy Union

On 26 April, the 2nd informal trilogue meeting on the Regulation on the Governance of the Energy Union will take place. One of the issues to be discussed by co-legislators is improved transparency and coordination of interactions between the EU's carbon market (EU ETS) and climate and energy policies at Member State and Union level.

In this context, aiming at the overall efficiency of the Clean Energy Package, the International Emissions Trading Association (IETA), The Union of the Electricity Industry (eurelectric), the European Federation of Energy Traders (EFET) and the European Centre of Employers and Enterprises providing Public Services and Services of General Interest (CEEP) are jointly urging the European Parliament, the Council and the European Commission to ensure proper policy coordination.

We support the European Parliament's call to Member States to include in their national energy and climate plans quantitative or qualitative evaluation of interactions between the EU ETS and existing and planned climate and energy policies at Member State and Union level. Furthermore, we support the proposal for the European Commission to regularly assess the overall impact of the policies and measures included in the integrated national plans on the operation of the EU's carbon market.

We believe that strengthened governance of national and Union policies is vital for the cost-efficient decarbonisation of the EU economy. While the recently agreed EU ETS post-2020 reform is a good step towards improving the functioning of the EU's carbon market, national and European policies aimed at emission reductions, must be consistent and complementary. The EU ETS must play a central role in decarbonisation. Therefore, it is a priority to ensure transparency of policy interactions and consistency with other climate policies at national and EU level. **Coherent and streamlined energy and climate policies** are crucial to allow a **robust, market driven carbon abatement signal** to emerge.

International Emission Trading Association (IETA) is a not-for-profit association dedicated to climate protection and the establishment of effective market-based mechanisms for greenhouse gas emission reductions. With over 130 member companies, including leading corporations in oil, electricity, cement, aluminium, and chemical sectors as well as firms in the data verification, certification, brokering, trading, legal, finance, and consulting industries, IETA is the leading voice of the business community on the subject of carbon markets.

The Union of the Electricity Industry (eurelectric) is the sector association representing the common interests of the electricity industry at pan-European level. eurelectric represents 3,500 companies across Europe with an aggregate turnover of €200 bln. It covers all major issues affecting the sector, from electricity generation and markets, to distribution networks, customers, as well as environment and sustainability issues.

European Federation of Energy Traders (EFET) promotes and facilitates European energy trading in open, transparent, sustainable and liquid wholesale markets, unhindered by national borders or other undue obstacles. We improve the operation of European wholesale energy markets and enhance the performance of traders and their support functions in those markets. We reinforce the markets' functionality and facilitate their liquidity and transparency.

European Centre of Employers and Enterprises providing Public Services and Services of General Interest (CEEP) is the European umbrella organisation representing employers and enterprises providing public services and services of general interest, including energy providers. Recognized as a cross-industry EU Social Partner, CEEP's membership employs more than 30% of the EU workforce and includes small and big energy utilities, both public and private companies, representing the broad picture of the European energy mix.