



## **SME UNION President Leitl underpins misconception in EU energy plans**

After yesterday's presentation of the details of the EU Commission's energy package, the President of the EPP business organization, Christoph Leitl underlines the misconception of some of the presented ideas.

"It is clear now that the European Union takes on worldwide the leading role in fighting global warming. Therefore the so called '20-20-20' targets<sup>1</sup> which were already established at the European Council in March 2007 are to be converted into policy actions. However, it is crucial to take into account that each Member State has a different geographic, demographic and economic reality which we need to consider when fixing the national objectives" eluded the SME UNION President.

The Commission proposed an auctioning of the certificates of the emissions trading scheme (ETS). "This means big additional costs for the economy and could lead to a counterproductive expulsion of industry", criticized Leitl. "This would especially hurt small- and medium-sized enterprises which often act as suppliers to the affected industries."

As regards the greenhouse gas reduction plans, they go into the wrong direction. On the one hand **within the ETS sector** (biggest companies and energy intensive industries) a better approach would be to elaborate a refined **benchmark system** for companies and industries of comparable branches. Within this benchmark system it has to be assured that those companies that have already invested in and implemented a very high standard of environmental and energy efficient technologies are exempted from further burdens and obligations. This would promote the use of green technology and would allow these installations to remain operating in Europe.

On the other hand **outside the ETS sector** (particularly relevant for SMEs), it will be crucial not only looking at the national economic performances but as well assuring that the companies with the best environmental **technological standards** already in place will not have to bear any additional costs. This would also be a positive incentive using market instruments, suggests SME UNION President Leitl.

Furthermore warmly welcomed were the new set of rules presented yesterday for **environment-related State aids** which will support especially small and medium sized companies for their investments.

The SME UNION, the business organization of the European People's Party, already established years ago a separate internal Working Group called "SME Energy", which deals exactly with these problems.

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The **SME UNION** (Small and Medium Entrepreneurs Union) of the EPP (European People's Party) is the business organization of the EPP and network of pro-business Christian-Democrat, Conservative and Center Right politicians and political organizations. As officially recognized EPP Association its main objective is to shape EU policy in a more SME friendly way. [www.sme-union.org](http://www.sme-union.org)

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<sup>1</sup> By 2020, emissions in the EU need to be cut by 20%, renewable energy needs to form 20% of the total energy consumption and the share of biofuels needs to increase to 10%