



Brussels, 7 March 2008

European Trade Union Confederation (ETUC)  
Confédération européenne des syndicats (CES)

**To:**

Heads of States and governments  
Ministers for the environment  
Ministers for employment

**Re: ETUC priorities - Energy and climate change package - Regulation on CO<sub>2</sub> emissions from new cars**

The Climate change and energy package proposed by the Commission, as well as the proposed regulation to reduce CO<sub>2</sub> emissions from new cars, are major steps towards an international solution to address the threat of climate change.

The European trade union confederation (ETUC) nevertheless insists that social and employment issues must be taken into account, particularly in a globalised context, to transform emissions reduction into an opportunity to create quality jobs and lessen social inequalities, while reducing the negative effects on workers and their families.

**Ahead of the Spring European Council, the ETUC emphasises the following priorities:**

**Including the climate strategy in the Lisbon Strategy and sustainable development**

- Just employment transition programs should be promoted so that structural employment changes yield by mitigation actions are anticipated and managed in a socially responsible manner
- The Globalisation Adjustment Fund should be enlarged so as to limit the negative consequences for workers of measures to combat climate change
- The ETUC proposes the launch of a European financial initiative for sustainable growth
- A coordinated initiative by the Member States on skills for a low carbon economy is urgently needed
- The renewed Emissions trading directive should make it obligatory to consult the European social partners, in particular the trade unions, on all related decisions, including those resorting to comitology and establish to that effect a permanent consultative committee of the European social partners

**Burdensharing between economic sectors**

- The calculation of burden sharing between the economic sectors should be based on parameters that reflect in particular best available technologies and potential costs and benefits for employment.

**Emissions Trading Scheme**

- The directive must include an import adjustment system for the energy intensive industries that are exposed to international competition with the possibility of activating such a mechanism from 2013 if the other industrialised countries do not

regulate emissions in an equivalent way

- Free allocation is supported by the ETUC provided that : a) it is based on the best available technologies b) it is complementary and not alternative to a border compensation mechanism
- A significant part of the proceeds of auctions should be earmarked to a) investments in energy savings and public transport and b) to assistance for workers displaced as a result of the transition to a low carbon economy
- Social and environmental quality requirement should be set for CDM and JI projects generating credits under the ETS

### **Renewable energies**

- The ETUC has serious misgivings about the binding target of 10% biofuels in transport. If the binding objective of 10% is maintained, the directive should strengthen the environmental sustainability criteria and include criteria guaranteeing the social sustainability of biofuel productions

### **Social cost of electricity prices**

- The ETUC calls for measures to prevent negative social impacts of rising energy prices, the priority being to reduce energy needs by investing in energy efficiency of social housing and affordable low-energy alternatives

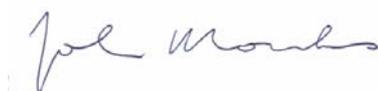
### **Proposed regulation to reduce CO2 emissions from new cars**

- The ETUC supports the adoption of binding regulation and a target of an average of 130 g CO2/km by 2012
- More serious study of the impact on employment of the proposed regulation should be undertaken without delay
- In addition to the weight parameter, alternative parameters such as "shadow" and "footprint" could also be used to define CO2 standards
- The ETUC supports a system of financial penalties which, while being progressive in time, is incentive enough
- Social partners should be involved in the definition of ambitious targets for the reduction of emissions by 2020 and 2025.

To see the position papers, please go to: <http://www.etuc.org/r/767>

I hope you will give our requests your closest attention,

Yours sincerely,



John Monks  
General Secretary