



Council of the
European Union

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AELE 69
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LEGISLATIVE ACTS AND OTHER INSTRUMENTS

Subject: 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

COUNCIL DECISION (EU) 2017/...

of ...

**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 COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 192(1), in conjunction with point (a) of the second subparagraph of Article 218(6) thereof,

Having regard to the proposal from the European Commission,

Having regard to the consent of the European Parliament¹,

¹ Consent of ... (not yet published in the Official Journal).

Whereas:

- (1) In accordance with Council Decision 2017/...¹+, the Agreement between the European Union and the Swiss Confederation on the linking of their greenhouse gas emissions trading systems (the ‘Agreement’) was signed on [...], subject to its conclusion at a later date.
- (2) Cap and trade systems are policy tools that cost-effectively reduce greenhouse gas emissions. Linking cap and trade systems is expected to result in broader carbon pricing, increasing the availability of reduction opportunities and enhancing the cost-efficiency of emissions trading. The development of a well-functioning international carbon market through bottom-up linking of emissions trading systems (‘ETS’) is a long term policy goal of the Union and the international community, notably as a means to achieve the climate objectives, including under the Paris Agreement on climate change.

¹ Council Decision (EU) 2017/... of ... on the signing, on behalf of the Union, and provisional application of the Agreement between the European Union and the Swiss Confederation on the linking of their greenhouse gas emissions trading systems (OJ L ..., ..., p. ...).

⁺ OJ: please insert the number of the decision in document st13074/17 in the text and complete the corresponding footnote.

- (3) The Agreement should be approved.
- (4) It is essential that aviation be covered by the Swiss ETS in order to link the Swiss ETS with the Union's ETS. While the Swiss ETS does not yet cover aviation, the Swiss Confederation is working on rules extending its ETS to aviation. The Agreement should not enter into force until those rules are in place and Annex I, Part B of the Agreement is amended to refer to those rules,

HAS ADOPTED THIS DECISION:

Article 1

The Agreement between the European Union and the Swiss Confederation on the linking of their greenhouse gas emissions trading systems is hereby approved on behalf of the Union.¹⁺

Article 2

1. The President of the Council shall designate the person(s) empowered to proceed, on behalf of the Union, to exchange the instruments of ratification or approval provided for in Article 21 of the Agreement, in order to express the consent of the Union to be bound by the Agreement.²
2. The instrument of approval of the Union shall only be notified when the Swiss Confederation has brought into force the requisite rules extending its ETS to aviation and Annex I, Part B of the Agreement is amended accordingly.

¹ The Agreement has been published in OJ ... together with the decision on signature.

⁺ OJ: please insert the publication reference of the Agreement in the footnote above.

² The date of entry into force of the Agreement will be published in the *Official Journal of the European Union* by the General Secretariat of the Council.

Article 3

This Decision shall enter into force on [...].

Done at Brussels,

For the Council

The President
