

Last chance to fix the EU carbon market lies with MEP Ian Duncan

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The European Parliament's Industry Committee (ITRE), which focuses on energy issues, voted today on reforms the EU Emissions Trading System.

Whilst these compromise amendments did include a provision to cancel a small part of surplus allowances expected to be in the Market Stability Reserve (MSR), meaning that the Committee has gone further than it has in the past, they do not tackle the fundamental problem of a huge and growing surplus in the system. Overall the amendments agreed do not go nearly far enough to reinstate the EU ETS as a cornerstone of ambitious EU climate policy action.

The last chance for real reform of the scheme now rests with Ian Duncan, rapporteur for the ENVI Committee. The Committee will vote on their compromise amendments in early December.

Commenting on the vote results, Adam Whitmore, Head of Policy of Sandbag said:

"The ITRE Committee's vote on compromise amendments today did not set the necessary level of ambition for reform of the EU ETS. We must see real reform of the scheme, with rebasing of the cap for Phase 4, an increase in the Linear Reduction Factor, and a significant number of allowances retired from the Market Stability Reserve. These changes are moderate and realistic, but could deliver much greater reductions in CO2 emissions in the traded sector."

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Notes to Editors

Sandbag is a London and Brussels-based not-for-profit think tank conducting research and campaigning for environmentally effective climate policies. For more information, visit our website at sandbag.org.uk