Press release | 24.02.2015

Emissions trading

MEPs delay stability reserve and prolong malfunction of EU carbon market

The European Parliament's environment committee today voted on proposals aimed at addressing the oversupply of emissions allowances in the EU's emissions trading scheme, notably a proposed 'market stability reserve' (1). The Greens expressed regret that MEPs failed to significantly bring forward the start date for this reserve, which will ensure the ETS continues to be undermined by an oversupply of allowances. After the vote, Green climate change spokesperson **Bas Eickhout** said:

"MEPs have voted to prolong the malfunction of the EU's carbon market until 2019. Nobody is disputing that the EU's emissions trading scheme is being crippled by an oversupply of emissions permits but, rather than fix the problem now, we are kicking the can down the road.

"Under today's vote, the proposed market stability reserve could only begin operation from 2019. By this time, the oversupply of emissions permits could be over 2 billion based on current estimates, meaning the emissions trading scheme will continue to fail in its purpose of delivering domestic greenhouse gas reductions by encouraging investment in green technology. With over a decade of massive surpluses and a resulting depressed price of emissions permits, it is clear that we would have a non-functioning carbon market

"If the EU seriously believes in the ETS, as its main policy instrument for addressing climate change, the oversupply of permits needs to be permanently fixed. This implies permanently retiring 2 billion emissions allowances. Failure to do so, combined with an unambitious greenhouse gas reduction target for 2030, would mean EU climate policy will come to a standstill. We need a functioning emissions trading system that rewards industry for reducing emissions, as a higher carbon price makes investments in green technology and innovation worthwhile. "

(1) The market stability reserve would aim to manage the supply of permits on the market in the EU's emissions trading scheme, removing permits when the supply is too high and reintroducing them if the supply is low. http://europa.eu/rapid/press-release_MEMO-14-39_fr.htm

Recommended

Press release

Adriaan Ploegh



MEPs urge to strengthen European defence innovation

12.11.2026

Press release

karsten-wurth-unsplash



[Court upholds EU climate rules - EU must now show lead…]

12.11.2026

Press release

©jonathan-marchal

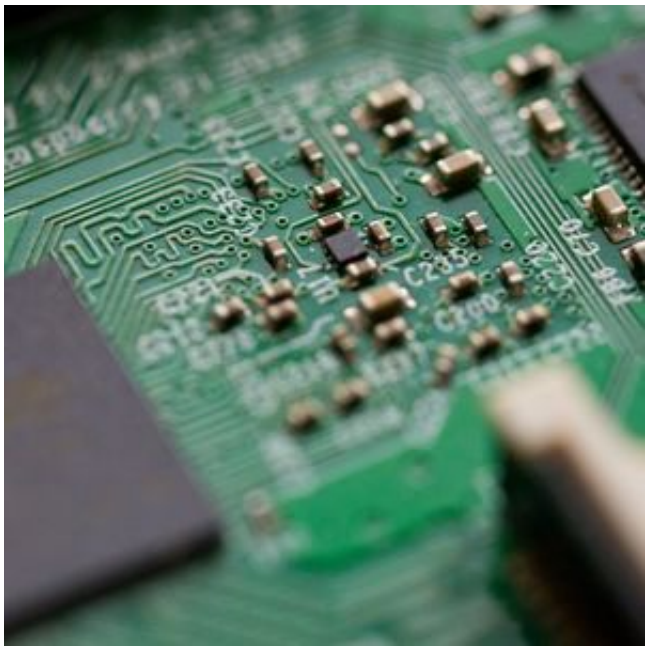


Tilly METZ elected European Parliament Vice-President

12.11.2026

Press release

chris-ried



Digital Fairness Act falls short on addictive design

11.11.2026

Please share

- E-Mail