European Parliament
2024-2029

TEXTS ADOPTED

P10_TA(2026)0279

Market stability reserve for the buildings, road transport and additional sectors

European Parliament legislative resolution of 15 September 2026 on the proposal for a decision of the European Parliament and of the Council amending Decision (EU) 2015/1814 as regards the market stability reserve for the buildings, road transport and additional sectors (COM(2025)0738 – C10-0320/2025 – 2025/0380(COD))

(Ordinary legislative procedure: first reading)

The European Parliament,

– having regard to the Commission proposal to Parliament and the Council (COM(2025)0738),

– having regard to Article 294(2) and Article 192(1) of the Treaty on the Functioning of the European Union, pursuant to which the Commission submitted the proposal to Parliament (C10-0320/2025),

– having regard to Article 294(3) of the Treaty on the Functioning of the European Union,

– having regard to the opinion of the European Economic and Social Committee of 21 January 2026[1],

– after consulting the Committee of the Regions,

– having regard to the provisional agreement approved by the committee responsible under Rule 75(4) of its Rules of Procedure and the undertaking given by the Council representative by letter of 24 June 2026 to approve Parliament's position, in accordance with Article 294(4) of the Treaty on the Functioning of the European Union,

– having regard to Rule 60 of its Rules of Procedure,

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1 OJ C, C/2026/1968, 28.4.2026,
ELI: http://data.europa.eu/eli/C/2026/1968/oj.

– having regard to the report of the Committee on the Environment, Climate and Food Safety (A10-0098/2026),

1. Adopts its position at first reading hereinafter set out[2];

2. Calls on the Commission to refer the matter to Parliament again if it replaces, substantially amends or intends to substantially amend its proposal;

3. Instructs its President to forward its position to the Council, the Commission and the national parliaments.

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[2] This position replaces the amendments adopted on 29 April 2026 (Texts adopted P10_TA(2026)0139).

P10_TC1-COD(2025)0380

Position of the European Parliament adopted at first reading on 15 September 2026 with a view to the adoption of Decision (EU) 2026/… of the European Parliament and of the Council amending Decision (EU) 2015/1814 as regards the market stability reserve for buildings, road transport and additional sectors

(Text with EEA relevance)

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 192(1) thereof,

Having regard to the proposal from the European Commission,

After transmission of the draft legislative act to the national parliaments,

Having regard to the opinion of the European Economic and Social Committee[3],

After consulting the Committee of the Regions,

Acting in accordance with the ordinary legislative procedure[4],

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3 OJ C, C/2026/1968, 28.4.2026, ELI: http://data.europa.eu/eli/C/2026/1968/oj.

4 Position of the European Parliament of 15 September 2026.

Whereas:

(1) The Paris Agreement, adopted on 12 December 2015 under the United Nations Framework Convention on Climate Change (the 'Paris Agreement')[5], entered into force on 4 November 2016. The Parties to the Paris Agreement have agreed to hold the increase in the global average temperature to well below 2 °C above pre-industrial levels and to pursue efforts to limit the temperature increase to 1,5 °C above pre-industrial levels.

(2) The conclusions of the European Council of 12 December 2019 endorse the objective of achieving a climate-neutral Union by 2050, in line with the objectives of the Paris Agreement.

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5 OJ L 282, 19.10.2016, p. 4.

(3) Decision (EU) 2015/1814 of the European Parliament and of the Council[6] established a market stability reserve which mitigates the risk of supply and demand imbalances associated with the start of the emissions trading system for buildings, road transport and additional sectors introduced by Directive (EU) 2023/959 of the European Parliament and of the Council[7], as well as makes it more resistant to market shocks.

(4) Analyses carried out of the expected functioning of the market stability reserve, taking into account recent information, indicate that targeted amendments to some parameters would contribute to improving market predictability and to the stability of price movements in the early years of the new emissions trading system.

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6 Decision (EU) 2015/1814 of the European Parliament and of the Council of 6 October 2015 concerning the establishment and operation of a market stability reserve for the Union greenhouse gas emission trading scheme and amending Directive 2003/87/EC (OJ L 264, 9.10.2015, p. 1, ELI: http://data.europa.eu/eli/dec/2015/1814/oj).

7 Directive (EU) 2023/959 of the European Parliament and of the Council of 10 May 2023 amending Directive 2003/87/EC establishing a system for greenhouse gas emission allowance trading within the Union and Decision (EU) 2015/1814 concerning the establishment and operation of a market stability reserve for the Union greenhouse gas emission trading system (OJ L 130, 16.5.2023, p. 134, ELI: http://data.europa.eu/eli/dir/2023/959/oj).

(5) Achieving the Union's climate targets will require that substantial public and private investment at Union and Member State level be dedicated to climate and energy transition measures in buildings and road transport, with additional green investment needs being projected up to 2030. Complementary national measures should accompany the emissions trading system for buildings, road transport and additional sectors. This would enable households and transport users to respond effectively by transitioning to clean heating and road transport alternatives. In accordance with Article 30d(6) of Directive 2003/87/EC of the European Parliament and of the Council[8], Member States should spend the auction revenues from emissions trading for buildings, road transport and additional sectors on the climate and energy-related purposes specified for the existing emissions trading system, giving priority to activities that can contribute to addressing social aspects of the emissions trading system in buildings, road transport and additional sectors, or for measures that specifically address related concerns for those sectors, including for the national contribution to the total estimated costs of the Social Climate Plan in accordance with Article 15 of Regulation (EU) 2023/955 of the European Parliament and of the Council[9].

(6) In order to increase long-term market predictability, the allowances that have been placed in the market stability reserve

8 Directive 2003/87/EC of the European Parliament and of the Council of 13 October 2003 establishing a system for greenhouse gas emission allowance trading within the Union and amending Council Directive 96/61/EC (OJ L 275, 25.10.2003, p. 32, ELI: http://data.europa.eu/eli/dir/2003/87/oj).

9 Regulation (EU) 2023/955 of the European Parliament and of the Council of 10 May 2023 establishing a Social Climate Fund and amending Regulation (EU) 2021/1060 (OJ L 130, 16.5.2023, p. 1, ELI: http://data.europa.eu/eli/reg/2023/955/oj).

for buildings, road transport and additional sectors and that have not been released should remain valid beyond 31 December 2030.

(7) In the event that the total number of allowances in circulation reaches a level below 260 million allowances, a more gradual and responsive release of allowances would contribute to further improving market stability and predictability for market participants. Therefore, the release mechanism should take into account the difference between the total number of allowances in circulation and the lower threshold.

(8) In order to further improve its reactivity to unwarranted price fluctuations and to increase market predictability, the mechanism to enhance price stability in the first three years of the emissions trading system for buildings, road transport and additional sectors should be strengthened in a careful manner. That could involve releasing a higher volume of allowances in the market ***without delay***. If that mechanism is applied twice during the same 12-month period, the additional release should occur twice.

(9) The emissions trading system for buildings, road transport and additional sectors and Member States' national measures in those sectors are mutually reinforcing. A gradual and smooth start of that new emissions trading system supports the timely implementation of Member States' measures towards the achievement of the Union's 2030 climate target, ensuring a socially fair transition and avoiding undue price impacts on vulnerable households and transport users. Therefore, in its report to the European Parliament and to the Council on the implementation of the new emissions trading system in the context of the review under Article 30i of Directive 2003/87/EC, the Commission will, as appropriate, include a thorough assessment of the price stability mechanisms under Article 30h of that Directive and of the application of the rules of the market stability reserve for buildings, road transport and additional sectors under Decision (EU) 2015/1814, to ensure both environmental integrity and social fairness. The review is in particular to consider the functioning of the excessive price measure aimed at increasing certainty for citizens that the carbon price in the initial years of operation of that new emissions trading system does not go above the level under Article 30h of Directive 2003/87/EC, and whether that measure should be continued after 2029.

(10) Since the objective of this Decision, namely to strengthen the market stability reserve of the emissions trading system for buildings, road transport and additional sectors, in particular by improving that system’s reactivity and increasing market stability, cannot be sufficiently achieved by the Member States but can rather, by reason of the scale and effects of the action, be better achieved at Union level, the Union may adopt measures, in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty on European Union. In accordance with the principle of proportionality as set out in that Article, this Decision does not go beyond what is necessary in order to achieve that objective.

(11) Decision (EU) 2015/1814 should therefore be amended accordingly,

HAVE ADOPTED THIS DECISION:

Article 1

Amendments to Decision (EU) 2015/1814

Decision (EU) 2015/1814 is amended as follows:

(1) Article 1a is amended as follows:

(a) in paragraph 3, the second sentence is deleted;

(b) paragraph 4 is replaced by the following:

‘4. The Commission shall publish the total number of allowances in circulation covered by Chapter IVa of Directive 2003/87/EC each year, by 1 June of the subsequent year, separately from the number of allowances in circulation under Article 1(4) of this Decision. The total number of allowances in circulation under this Article in a given year shall be the cumulative number of allowances covered by that Chapter that were issued, minus the cumulative tonnes of verified emissions covered by that Chapter for the period between 1 January ***2028*** and 31 December of that same given year and any allowances covered by that Chapter that were cancelled in accordance with Article 12(4) of Directive 2003/87/EC. The first publication shall take place by 1 June 2028.’;

(c) in paragraph 5, the following subparagraph is added:

‘In any given year, if the total number of allowances in circulation is between 210 million and 260 million, additional allowances shall be released from the reserve. The additional amount shall be calculated by taking 100 million and subtracting twice the difference between the total number of allowances in circulation and 210 million. That additional amount shall be added to the quantity of allowances to be auctioned by Member States under Article 10(2) of Directive 2003/87/EC beginning on 1 September of that year.’;

(d) paragraph 7 is replaced by the following:

‘7. The volumes to be released from the reserve in accordance with Article 30h of Directive 2003/87/EC shall be added to the quantity of allowances covered by Chapter IVa of that Directive to be auctioned by the Member States under Article 30d of that Directive. In the event that allowances are released from the reserve in accordance with Article 30h(2) of Directive 2003/87/EC, 20 million more allowances shall be added to the amount to be released from the reserve. The volumes to be released from the reserve shall be evenly distributed over a period of three months, starting no later than two months after the date on which the conditions were met according to the publication in that regard in the *Official Journal of the European Union* pursuant to Article 30h(8) of Directive 2003/87/EC.’;

(2) in Article 3, the following paragraph is added:

'As regards Article 1a of this Decision, the review referred to in the first paragraph of this Article shall consider the number of remaining allowances taking into consideration both environmental integrity and social fairness.'.

Article 2

Entry into force

This Decision shall enter into force on the twentieth day following that of its publication in the *Official Journal of the European Union*.

Done at ...,

For the European Parliament	*For the Council*
The President	*The President*