

(English version)

**Question for written answer E-000025/25
to the Commission
Fabio De Masi (NI)
(7 January 2025)**

Subject: Burden on low-income earners resulting from rising CO₂ prices

How does the Commission intend to ensure that low-income earners are not placed under a greater burden as a result of rising CO₂ prices in the transport and construction sectors ⁽¹⁾?

Submitted: 7.1.2025

**Answer given by Mr Hoekstra on behalf of the European Commission
(26 February 2025)**

A just transition is a key principle of the implementation of the European Green Deal. The new emissions trading system (ETS) for fuel combustion in buildings, road transport and additional sectors (ETS2) ⁽¹⁾ has been designed with important safeguards to start in an orderly, smooth and efficient manner.

ETS2 will complement policies and measures at national and EU level. Action at national level, which is set out in the National Energy and Climate Plans, will also be crucial in delivering the required emission reductions.

A part of the revenues raised by ETS2 will finance the Social Climate Fund ⁽²⁾, which is established to ensure a socially fair transition by addressing impacts on vulnerable groups, especially lower and lower-middle income households and those in energy or transport poverty. Member States are to define the vulnerable groups in their Social Climate Plans.

Together with a minimum 25% national contribution, the Fund will mobilise at least EUR 86.7 billion over 2026-2032. It will fund structural measures and investments in energy efficiency, renewable energy, decarbonisation of heating and cooling and sustainable mobility and transport, including social leasing, public transport, shared mobility and on-demand offers.

Pending the impact of these investments on reducing emissions and energy bills, there will be the option to provide temporary direct income support.

This will come alongside existing funding instruments supporting vulnerable groups, such as Recovery and Resilience Facility and Cohesion Policy Funds.

Member States must spend all remaining national auction revenues on select climate and energy purposes, prioritising social aspects. They could also further top up their contributions to their Social Climate Plans.

¹ <https://www.spiegel.de/wirtschaft/klimaschutz-eu-plaene-fuer-co-preis-stossen-auf-widerstand-der-mitgliedsstaaten-a-83f1e7c6-adce-4198-8bf7-90314c79c8c4>.

⁽¹⁾ <https://eur-lex.europa.eu/eli/dir/2003/87>

⁽²⁾ <https://eur-lex.europa.eu/eli/reg/2023/955>