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Answer given by Mr Hoekstra
on behalf of the European Commission
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The Emissions Trading System for buildings, road transport and additional sectors (ETS2) provides safeguards for a smooth start. A major share of ETS2 revenues will accrue to national budgets and must be used for climate action, including social impacts. The Social Climate Fund (SCF) will address the impacts of ETS2 on vulnerable households and micro-enterprises, mobilising at least EUR 86.7 billion between 2026 and 2032, to renovate buildings and decarbonise heating and transport.

As per Directives (EU) 2024/1275¹ and 2023/1791², countries must preferentially target financial measures for energy efficiency in buildings to vulnerable households. The Commission also issued the Affordable Energy Action Plan and will issue The Citizens Energy Package by early 2026.

National ETS2 revenues, the SCF, and many other EU programmes, can co-invest in charging infrastructure. The Energy Performance of Building Directive provides for the roll-out of charging infrastructure in buildings.

To simplify the Carbon Border Adjustment Mechanism (CBAM) and reduce compliance costs, the Commission recently proposed, and co-legislators provisionally agreed on, a set of changes³ which would exempt around 90% of importers (mainly small and medium-sized enterprises) while keeping around 99% of emissions in the CBAM scope.

¹ Directive (EU) 2024/1275 of the European Parliament and of the Council of 24 April 2024 on the energy performance of buildings (recast).

² Directive (EU) 2023/1791 of the European Parliament and of the Council of 13 September 2023 on energy efficiency and amending Regulation (EU) 2023/955 (recast).

³ Proposal for a Regulation of the European Parliament and of the Council amending Regulation (EU) 2023/956 as regards simplifying and strengthening the carbon border adjustment mechanism.