

(English version)

**Question for written answer E-002397/26
to the Commission
Anna Maria Cisint (PFE)
(10 June 2026)**

Subject: Effects of the ETS on European industrial competitiveness

The current Emissions Trading System (ETS) is imposing growing costs on European industry, which are exacerbated by the high volatility of the CO₂ price, the increasing presence of financial actors in the allowance market and the progressive disappearance of free allocations for the sectors most exposed to international competition. It also seems necessary to adapt the allowance reduction rate to what is really technologically possible for companies to achieve in terms of decarbonisation, limit the effects of the ETS on energy prices and combat speculative practices that risk altering the original objectives of the system.

In addition, the application of the ETS to maritime transport is of particular concern in the absence of alternative fuels available on competitive terms, with the risk of encouraging the relocation of traffic to non-EU ports.

In the light of the above:

1. Is the Commission aware that the current ETS is contributing to deindustrialisation processes in the European Union, and will it therefore propose a radical overhaul of the system, taking action on the allowance price setting mechanisms and on the participation of financial actors?
2. Will it suspend application of the ETS to the maritime sector until economically viable technological and energy alternatives are available and its effects on European competitiveness have been fully assessed?

Submitted: 10.6.2026

**Answer given by Mr Hoekstra on behalf of the European Commission
(1 September 2026)**

The EU Emissions Trading System (ETS) contains numerous measures to protect industry against carbon leakage, including free allocation of allowances, dedicated state aid guidelines ⁽¹⁾ and financial support from ETS revenues.

On 17 July 2026, the Commission put forward a comprehensive review of the ETS, including proposals for the future of these elements beyond 2030.

The proposal also revises the emissions reduction pathway consistent with the 2040 climate target as established in the European Climate Law ⁽²⁾.

This means that the decarbonisation pathway to 2040 will be more gradual than the one applicable today. The review also proposes to reform the Market Stability Reserve to keep the carbon market stable, rules-based, and aligned with technological and economic realities, building on a complementary proposal made on 1 April 2026 ⁽³⁾.

As regards financial actors, the latest annual report of the European Securities and Markets Authority reconfirmed that EU carbon markets operate in line with market fundamentals and found no issue in their integrity or transparency ⁽⁴⁾.

The Commission does not intend to suspend the application of ETS to maritime. Decarbonisation of the sector is needed for its long-term competitiveness and energy independence, and the Commission is actively monitoring the impact of the ETS extension to maritime.

In line with the EU Industrial Maritime Strategy ⁽⁵⁾, the ETS review includes measures to strengthen the sector's competitiveness, including a new mechanism to directly support shipping companies with ETS allowances to boost the uptake of sustainable fuels and zero-emission propulsion technologies, alongside the objectives to address concerns on evasion risks, connectivity and level playing field.

⁽¹⁾ Communication from the Commission: Guidelines on certain state aid measures in the context of the system for greenhouse gas emission allowance trading post-2021 (2020/C 317/04), and Communication C/2026/196 amending these guidelines.

⁽²⁾ Regulation (EU) 2026/667 of the European Parliament and of the Council of 11 March 2026 amending Regulation (EU)2021/1119 as regards the setting of a Union intermediate climate target for 2040.

⁽³⁾ https://ec.europa.eu/commission/presscorner/detail/en/ip_26_666.

⁽⁴⁾ ESMA Market Report: EU carbon markets 2026. ESMA50-481369926-34622. <https://www.esma.europa.eu/document/market-report-eu-carbon-markets-2026>.

⁽⁵⁾ <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A52026DC0111>.