

ETS 2: Staying the course for an effective and fair transition to e-mobility



The Platform for Electromobility, representing a broad coalition of industries committed to the decarbonisation of transport, reiterates its firm support for the timely implementation of the ETS 2 (Emissions Trading System for road transport and buildings) as scheduled in the previous mandate, in line with the vote of the European Parliament on April 18, 2023.

1. Uphold ETS 2 to unlock investments

Rolling back or delaying the ETS 2 would undermine investor confidence and reduce the available financial tools to accelerate the uptake of electric vehicles, the development of alternative and collective mobility modes, and related infrastructures. The new system is not only a pillar of the Fit for 55 package, it is also a key driver for directing public and private capital towards the clean transition ecosystem and industries.

Any deviation from the agreed implementation path would generate uncertainty, reduce the credibility of the EU's climate framework, and jeopardise our ability to meet emissions reduction targets.

2. Timely transposition: a key step for fair and effective implementation

As of today, only 10 Member States have transposed the ETS 2 directive into national law. Accelerating transposition is essential to ensure a coherent and effective rollout of the system across the EU. It will provide legal certainty, enable better coordination among stakeholders, and help deliver the expected climate and social benefits in a timely manner. Encouraging swift

WHAT IS THE PLATFORM FOR ELECTROMOBILITY?

A unique alliance of Europe-based producers, infrastructure managers, operators, transport users, cities and environmental civil society organisations from across industries and transport modes, collaborating to reach a sustainable, multimodal transport system in which people and goods are moved across land in Europe using exclusively fossil-free electricity. We unite all sectors constituting the electromobility ecosystem to pragmatically ensure the conditions for the full decarbonation of new light-duty vehicles by 2035, and build a sustainable European zero-emission transport system by collectively sharing their expertise, challenges and solutions.

action from all Member States will also strengthen the credibility and impact of ETS 2 as a key pillar of the EU's climate policy.

Moreover, citizens and businesses need a clear price signal. A stable and well-communicated carbon price will encourage behavioral change, spur investment in energy efficiency and zero-emission solutions, and support long-term planning across the value chain.

3. Ensuring ETS 2 is effective and socially fair

To guarantee that ETS 2 delivers both environmental and social outcomes, we recommend the following measures:

- **Reinvest 100% of ETS 2 revenues** into decarbonisation and targeted social support. We call to ensure transparency and additionality of Member State spending, so EU funds do not replace existing national support schemes.
- **Strengthen complementary policy tools:** ETS 2 must work alongside a robust regulatory framework. This includes preserving the CO₂ reduction ambitions for cars and heavy-duty vehicles, supporting the Clean Corporate Vehicles initiative, and ensuring the rollout of charging and multimodal infrastructure.
- **Frontload ETS 2 revenues.** We must accelerate investment to protect vulnerable groups from the impact of rising carbon prices and to deliver visible benefits early in the transition.
- **Reinforce the Social Climate Plans (SCPs):** push Member States to increase the co-financing rate above 25% to ensure meaningful national action.
- **End fossil fuel subsidies:** Use ETS 2 as an opportunity to rebalance taxation in favour of electrification, including reducing the tax burden on electricity and removing outdated exemptions for fossil fuels.
- **Early auctions should be launched in 2026.** Early auctions would help market participants form their view on expected prices. It would be a market friendly move to enhance transparency and ensure a smoother transition into full system operation.

ETS 2 is a cornerstone of Europe's decarbonisation strategy. It must be implemented as planned to send a clear signal to markets, enable effective carbon pricing, and channel investments into clean mobility. Our coalition of industries stands ready to support this effort and ensure that ETS 2 is both socially just and economically effective.



Platform members

