

ITRE Committee rejects opinion on MSR

Brussels, 22 January 2015. Today, the Industry Committee of the European Parliament rejected the Tajani opinion to the Commission proposal for the establishment and operation of a market stability reserve (MSR) for the Union greenhouse gas emission trading scheme.

With this vote, the ITRE committee is not giving a formal opinion on the proposal for the introduction of market stability reserve. This means that all eyes are now set on the leading environment committee's vote on the MSR proposal, which is scheduled for next month.

CEDEC has been advocating for an earlier start of the MSR in 2017 as well as for a permanent cancellation of the 900 million EUAs that are currently in the back-loaded from the carbon market. The amendment for an advanced start of the MSR in 2017 had been rejected in the ITRE committee before the entire opinion was voted against.

“We are now hoping that the ENVI committee in its report will support a market stability reserve that will start in 2017 and with a permanent retirement of 900 allowances in a completely oversupplied European carbon market. Only with these two adjustments will the MSR be able to address the current surplus in the market and restore some demand-supply balance in the ETS,” said **Gert de Block, Secretary General of CEDEC.**

CEDEC Background information

CEDEC represents the interests of 1500 local and regional energy companies with a total turnover of €120 billion, serving 85 million electricity and gas customers and connections, with more than 350.000 employees.

These predominantly medium-sized local and regional energy companies have developed activities as electricity and heat generators, electricity and gas distribution grid and metering operators and energy (services) suppliers.

The wide range of services provided by local utility companies is reliable, sustainable and close to the customer. Through their investments and local jobs, they make a significant contribution to local and regional economic development.