**The ETS for road transport and buildings**

**Why yes? Why not?**

***This meeting is under Chatham House Rules, some speakers are still TBC***

**\*\*\* Draft Agenda \*\*\***

**Date**: November 18, 2021

**Time:** 13:00 – 15:00

**Location:** Zoom Event --- [REGISTER HERE](https://us02web.zoom.us/webinar/register/WN_N0kJiUDLSre8atzFe0YLHw) ---

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| On July 14th the Commission proposed to establish a separate ETS for road transport and buildings in 2025. Compliance obligations would start in 2026. The cap of the new ETS will be set from 2026, alongside a linear reduction factor in line with a 45% emissions reduction in these sectors by 2030 compared to 2005. Since the idea of extending the EU emission trading to these two sectors has been floated in the EU Green Deal Communication, it has raised significant criticism. Sceptics point to the presence of market failures and non-price barriers to investments in energy efficiency improvements, as well as the low-price elasticity of energy demand in these sectors and the high upfront costs of substantial emissions abatement options. The Commission stressed instead the excellent track record of the ETS in abating emission cost efficiently and is convinced that ETS revenues can be recycled to as to mitigate the impact of carbon pricing on more vulnerable households.  This event aims to tackle the most important issues associated with the new ETS by answering the following questions:   * Is Carbon Pricing the right tools to decarbonize these sectors? * What are the other non-price-based tools to decarbonize these sectors while also ensuring policy consistency across member states? * How can the impact on households be mitigated? What is the potential role of ETS revenues? Is the Climate Action Social Fund enough? * Will these new ETS be combined with the original ETS? |

**13:00 Welcome**

* A. Marcu, ERCST Director

**13:10 ERCST Presentation**

* A. Marcu, ERCST
* S. Cabras, ERCST

**13:25 Roundtable Discussion**

* P. Arak, PEI
* M. Pollitt, CERRE and University of Cambridge
* P. Gregorin, EU Commission
* J. Hein, BDI

**15:00 End**