

**Basic information**

**2025/0380(COD)**

Awaiting Parliament's position in 1st reading

COD - Ordinary legislative procedure (ex-codecision procedure)  
Decision

Market stability reserve for the buildings, road transport and additional sectors

Amending Decision 2015/1814 [2014/0011\(COD\)](#)

**Subject**

- 3.60.08 Energy efficiency
- 3.70.02 Atmospheric pollution, motor vehicle pollution
- 3.70.03 Climate policy, climate change, ozone layer
- 3.70.18 International and regional environment protection measures and agreements

**Key players**

European Parliament	<b>Committee responsible</b>		<b>Rapporteur</b>	<b>Appointed</b>
	<span style="border: 1px solid red; padding: 2px;">ENVI</span> Environment, Climate and Food Safety		NERUDOVA Danuše (EPP)	18/12/2025
			Shadow rapporteur	
			TEMIDO Marta (S&D) NAGYOVÁ Jana (Pfe) ZALEWSKA Anna (ECR) WIESNER Emma (Renew) TOUSSAINT Marie (Greens /EFA) ANDERSSON Li (The Left) ARNDT Anja (ESN)	
<b>Committee for opinion</b>		<b>Rapporteur for opinion</b>	<b>Appointed</b>	
<span style="border: 1px solid red; padding: 2px;">ITRE</span> Industry, Research and Energy		The committee decided not to give an opinion.		
Council of the European Union				
European Commission	<b>Commission DG</b>		<b>Commissioner</b>	
	Climate Action		HOEKSTRA Wopke	

## Key events

Date	Event	Reference	Summary
27/11/2025	Legislative proposal published	COM(2025)0738 	Summary
15/12/2025	Committee referral announced in Parliament, 1st reading		
15/04/2026	Vote in committee, 1st reading		
17/04/2026	Committee report tabled for plenary, 1st reading	A10-0098/2026	

## Forecasts

27/04/2026	Indicative plenary sitting date, 1st reading
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## Technical information

Procedure reference	2025/0380(COD)
Procedure type	COD - Ordinary legislative procedure (ex-codecision procedure)
Procedure subtype	Legislation
Legislative instrument	Decision
Amendments and repeals	Amending Decision 2015/1814 <a href="#">2014/0011(COD)</a>
Legal basis	Treaty on the Functioning of the European Union TFEU 192-p1
Mandatory consultation of other institutions	<a href="#">European Economic and Social Committee</a> <a href="#">European Committee of the Regions</a>
Stage reached in procedure	Awaiting Parliament's position in 1st reading
Committee dossier	ENVI/10/04630

## Documentation gateway

## European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		<a href="#">PE781.492</a>	10/02/2026	
Amendments tabled in committee		<a href="#">PE785.330</a>	17/03/2026	
Committee report tabled for plenary, 1st reading/single reading		<a href="#">A10-0098/2026</a>	17/04/2026	

## European Commission

Document type	Reference	Date	Summary
	<a href="#">COM(2025)0738</a>		

Legislative proposal		27/11/2025	Summary	
<b>National parliaments</b>				
Document type	Parliament /Chamber	Reference	Date	Summary
Contribution	IT_CHAMBER	COM(2025)0738	05/02/2026	
Contribution	CZ_SENATE	COM(2025)0738	13/02/2026	
Contribution	RO_SENATE	COM(2025)0738	16/02/2026	
Contribution	MT_PARLIAMENT	COM(2025)0738	24/02/2026	
<b>Other institutions and bodies</b>				
Institution/body	Document type	Reference	Date	Summary
EESC	Economic and Social Committee: opinion, report	CES0103/2026	21/01/2026	

<b>Additional information</b>		
Source	Document	Date
EP Research Service	Briefing	13/01/2026
European Commission	EUR-Lex	

## Market stability reserve for the buildings, road transport and additional sectors

2025/0380(COD) - 27/11/2025 - Legislative proposal

**PURPOSE:** to enhance the effectiveness of the market stability reserve for the buildings, road transport and additional sectors in relation to the balance of supply and demand.

**PROPOSED ACT:** Regulation of the European Parliament and of the Council.

**ROLE OF THE EUROPEAN PARLIAMENT:** the European Parliament decides in accordance with the ordinary legislative procedure and on an equal footing with the Council.

**BACKGROUND:** Decision (EU) 2015/1814 of the European Parliament and of the Council established a market stability reserve in order to mitigate the risk of supply and demand imbalances associated with the start of emissions trading for the buildings, road transport and additional sectors, as well as to make it more resistant to market shocks.

The analysis carried out of the expected functioning of the reserve, taking into account recent information, indicates that targeted amendments to some parameters would contribute to improving market predictability and to the stability of price movements in the early years of the new system.

**CONTENT:** the proposal provides for **targeted modifications to the parameters of the market stability reserve** for the building, road transport and other sectors, while respecting the overall design of the reserve, in order to improve its functioning until ETS 2 is fully operational.

The proposal contains three measures to **improve market liquidity** in order to strengthen market predictability, reduce volatility and further address excessive price increases:

1) **Removal of the invalidity of allowances in reserve after 2030** : the 600 million allowances held in the market stability reserve will remain valid beyond 2030, which will improve the liquidity and long-term predictability of the market.

2) **Modification of the injection rate mechanism** to provide a more gradual and responsive release of allowances from the reserve into the market. The proposal provides for a market stability reserve injection when the total number of allowances in circulation (TNAC) is between 210 million and 260 million. In such a case, the injection will be 100 million allowances minus twice the difference between the TNAC and the 210 million threshold.

3) **A supplementary mechanism** that adds a top-up mechanism of 20 million allowances to the number of allowances to be injected under the excessive price control mechanism provided for in Directive 2003/87/EC. The objective is to further improve the reactivity of this mechanism to unwarranted price fluctuations and enhance market predictability. This amendment carefully strengthens this mechanism by making it possible to release a higher number of allowances in the market to further improve market confidence, which is important for planning decarbonisation investments.