

European rail sector welcomes Council agreement on general approach for reform of ETS

Following late night negotiations on 28 June, European Union Environment Ministers have agreed on a general approach for the reform of the EU Emissions Trading System (ETS). Now that both the Council and the European Parliament have their positions in place, negotiations can commence on a final agreement to deliver the goals of the Fit for 55 legislative package. The Community of European Railway and Infrastructure Companies (CER) has high hopes that this final agreement will include carbon pricing for all transport modes and foresee an intelligent use of ETS revenues for a speedy green transition of the transport sector.

The new ETS is needed to bring a long-term carbon price signal to emitters and drive the decarbonisation of the transport sector in a cost-effective and economically efficient manner. CER therefore welcomes the introduction by the Council of a carbon price in road and maritime transport and the phasing out of free allowances to aviation by 2027. Low-carbon technologies and energy efficiency in transport, including railways, will benefit greatly from the Innovation and Modernisation Funds.

The Council position also correctly addresses the social impact of carbon pricing with its stance on the establishment of a Social Climate Fund to support vulnerable households, micro-enterprises and transport users. Measures to encourage a shift to public forms of transport and improve multimodality will help build an energy-efficient zero-emission mobility that is affordable.

CER Executive Director Alberto Mazzola said: *"We now look forward to a smooth start to negotiations between the European Parliament and the Council. We need a new ETS soon, and we will insist on a smart combination of both positions into one text. In particular, the European Parliament provision that 10% of ETS revenues should be used for sustainable transport including rail must be included in the final interinstitutional agreement."*

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About CER

The Community of European Railway and Infrastructure Companies (CER) brings together around 70 railway undertakings, their national associations as well as infrastructure managers and vehicle leasing companies. The membership is made up of long-established bodies, new entrants and both private and public enterprises, representing 79% of the rail network length, 77% of the rail freight business and about 90% of rail passenger operations in EU, EFTA and EU accession countries. CER represents the interests of its members towards EU policymakers and transport stakeholders, advocating rail as the backbone of a competitive and sustainable transport system in Europe. For more information, visit www.cer.be or follow us on Twitter [@CER_railways](https://twitter.com/CER_railways) or [LinkedIn](https://www.linkedin.com/company/cer).