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2025/0380 (COD)**

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COVER NOTE

From: European Committee of the Regions
date of receipt: 26 March 2026
To: Council of the European Union

Subject: Proposal for a Decision of the European Parliament and of the Council amending Decision (EU) 2015/1814 as regards the market stability reserve for the buildings, road transport and additional sectors
- Renunciation letter of the European Committee of the Regions

Delegations will find attached the European Committee of the Regions' renunciation letter regarding the abovementioned proposal.

E-MAIL

IM 2763 2026
26-03-2026

Ref. Ares(2026)3222578 - 26/03/2026



**European Committee
of the Regions**

The President

Brussels, *date of official registration*

Marilyna Raouna
Deputy Minister for European Affairs
Government of Cyprus

Dear Minister,

Thank you for your referral request to the European Committee of the Regions (CoR), dated 21 January 2026 regarding the following dossier:

Proposal for a Decision of the European Parliament and of the Council amending Decision (EU) 2015/1814 as regards the market stability reserve for the buildings, road transport and additional sectors – COM(2025)0738 – 2025/0380(COD)

The Commission for the Environment, Climate Change and Energy (ENVE) decided at its meeting on 3 February 2026 not to issue an opinion on this proposal and not to include the dossier into the ongoing work of the CoR. Nevertheless, please allow me to underline several points of great importance for European local and regional authorities.

The CoR notes that the Commission's intention to reinforce the Market Stability Reserve's (MSR) capacity to act when ETS II prices escalate is consistent with its earlier warnings about the risks of excessive price volatility. Stable and credible carbon market functioning is essential to maintain public support for climate policy. The CoR recalls that its 2022 opinion, *Making ETS and CBAM Work for EU Cities and Regions*, already set out its position on the design of ETS II, its potential social impacts, and the functioning of the MSR.

Yours sincerely,

Kata Tüttö

Cc: Didier Seeuws, Director-General, General and Institutional policy, Council of the European Union

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