



Important legal notice
English (en)

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This Website is currently under revision following the reorganisation of our services of 17.2.2010. We are sorry for any inaccuracies you may find.

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Emission Trading System (EU ETS)



The Emission Trading System (EU ETS) commenced operation as the largest multi-country, multi-sector Greenhouse Gas Emission Trading System world-wide.

The scheme is based on Directive 2003/87/EC, which entered into force on 25 October 2003.

Allowances traded in the EU ETS will not be printed but held in accounts in electronic registries set up by Member States. All of these registries will be overseen by a Central Administrator at EU level who, through the [Community independent transaction log](#), will check each transaction for any irregularities. In this way, the registries system keep track of the ownership of allowances in the same way as a banking system keeps track of the ownership of money.

The Commission provides guidance on the application of [VAT \(pdf ~13K\)](#) to emission allowances. DG Environment also provides [its interpretation](#) on the use of next phase allowances under Article 16(4), second sentence, of the Emissions Trading Directive.

The European Commission is preparing a review. In order to collect the views of stakeholders on a range of aspects of the EU emissions trading

scheme, a web survey was carried out from June to September 2005. A report with the full results is in preparation and will be released in due time. Here are already some [highlights](#) ([pdf](#) ~2,7Mb).

The European Environment Agency has published a [technical report](#) on the application of the Emissions Trading Directive by Member States. The report is based on information in Member States' annual reports under Article 21 of the Directive and covers the period from 1 January – 30 April 2005.

- [EU action against climate change: EU emissions trading - an open scheme promoting global innovation](#)
- Brochure EU emissions trading - an open system promoting global innovation [es](#) [en](#) [fr](#) [pl](#) [de](#) [it](#) [cs](#) [hu](#) [ro](#) ([pdf](#) ~1,440MB)

EU action against climate change brochures

- [Leading global action to 2020 and beyond](#) [ar](#) [es](#) [en](#) [fr](#) [pl](#) [ru](#) [de](#) [it](#) - Chinese
- [Working with developing countries to tackle climate change](#) [es](#) [de](#) [en](#) [fr](#) [it](#) [pl](#)
- [Research and development to fight climate change](#) [es](#) [de](#) [en](#) [fr](#) [it](#) [pl](#)
- EU emissions trading: an open system promoting global innovation [es](#) [en](#) [fr](#) [pl](#)

[The European Commission is a founding member of the International Carbon Action Partnership \(ICAP\)](#). The partnership is made up of countries and regions that are actively pursuing the development of carbon markets through implementation of mandatory cap and trade systems. The partnership provides a forum to share experiences and knowledge.



The European Commission hosted the first [Global Carbon Market Forum](#) under the International Carbon Action Partnership. Jos Delbeke, DG Environment Deputy Director General [opened the conference](#) ([pdf](#) ~78KB).