ClimateFair Monitor
Towards climate-neutral buildings and road transport

Press release
09.03.2026

Delaying EU carbon pricing means delaying support for citizens, civil society organisations say

A coalition of the European Environmental Bureau and civil society organisations from Latvia, Hungary, Poland, Slovenia, Bulgaria and Romania has warned the governments of EU Member States that postponing the EU's new emissions trading system for buildings and road transport (ETS2) from 2027 to 2028 will increase social inequality, delay financial support for citizens, and weaken Europe's economic competitiveness.

The organisations also emphasise that delaying ETS2 does not change the EU's 2030 climate targets; instead, it risks making the emissions-reduction pathway steeper, more abrupt and ultimately more disruptive for households, businesses and national economies, as deeper cuts would have to be achieved in a shorter timeframe. Debate around ETS2 is often framed only as a climate policy issue – while in reality, postponement also weakens compensation mechanisms designed to protect households from rising energy costs. The coalition states that postponing ETS2 means weakening support for people. Without fair carbon pricing and redistribution, governments risk continuing a system where public money indirectly supports fossil fuels and benefits the highest emitters – wealthy fossil fuel companies that shift the costs of their pollution onto the public without compensation.

According to Eurobarometer data, 81% of EU citizens believe income inequality is too high. The organisations argue that ETS2 – combined with strong social compensation – will help address this concern by redistributing revenues from rich fossil fuel companies to improve the well-being of more vulnerable citizens. Research, including the OECD report "In It Together: Why Less Inequality Benefits All", shows that high inequality slows economic development. Postponing ETS2 and the related compensation measures may therefore undermine not only climate goals but also economic stability in Central and Eastern Europe.

Linda Zuze from Green Liberty, Latvia, revealed: "Weakening or delaying ETS2 primarily benefits the most polluting industries, such as oil and natural gas suppliers, while prolonging costly fossil-fuel subsidies."

Jonas Sonnenschein from Umanotera, Slovenia added: "Delaying ETS2 does not change the 2030 climate goals, but will result in a steeper and thus more difficult emissions reduction pathway."

Civil society organisations call on countries that do not yet have carbon pricing for buildings and road transport to consider introducing national measures already in 2027, alongside fair compensation schemes for vulnerable households.

András Lukács, President of Clean Air Action Group, said: “Fair climate policy is also fair social policy. A well-designed carbon price can reduce inequality, modernise our economies, and accelerate the transition to more affordable, efficient energy systems that also decrease the dependency on import of fossil fuels from outside the EU.”

The letter of the coalition to the governments of EU Member States is accessible here.

The organisations work on the project “ClimateFair Monitor: Towards climate-neutral buildings and road transport”. This project is part of the European Climate Initiative (EUKI) of the German Federal Ministry for the Environment, Climate Action, Nature Conservation and Nuclear Safety (BMUKN).

Media contact:

Jonas Sonnenschein, Umanotera, Slovenia
jonas@umanotera.org
+386 30 767 458