

2.10.2026

Dear Member of the European Parliament,

As negotiations over the future of the EU Emissions Trading System enter a crucial stage, we representatives of Nordic technology industries wish to reaffirm our support for an ambitious EU ETS aligned with the 2040 climate target.

The EU ETS is a market-based, technology-neutral and cost-effective policy instrument for achieving the EU's climate goals. For industry, it is a driver for decarbonisation and the development of innovative clean technologies. A robust carbon price signal is key to ensure a predictable operating environment that rewards companies that have already invested and plan to invest in decarbonisation.

The Commission proposal for the ETS review provides a solid basis for developing the ETS fit for the next decade. However, it already includes several concessions. For example, the proposed changes to the Linear Reduction Factor (LRF) would increase the volume of allowances released by roughly 30–40 % between 2030 and 2040. Therefore, we encourage you to strive to improve the proposal in the European Parliament and caution strongly against any further weakening of the system.

The ETS does come with costs. But unlike the money spent on imported fossil fuels, ETS revenues flow to the coffers of the EU and the Member States – and could serve as a powerful tool for industrial decarbonisation. As President von der Leyen noted in her State of the European Union speech, our dependence on fossil fuels has led to over 90 billion euros in additional costs during the current energy crisis alone.

A strong EU ETS can boost the competitiveness, resilience and energy security of Europe. In particular, we call for:

1. A strong LRF aligned with the 2040 target

The LRF should remain as ambitious as possible in early 2030s while leaving space for residual emissions later.

2. Maintaining the existing phaseout trajectory for free allowances

In case of extension of the phaseout, we support conditionality that is workable for businesses and rewards early action.

3. No inclusion of international credits in the ETS

International credits should remain as a flexibility mechanism outside the scope of the ETS.

4. Channelling ETS revenue back to sectors affected by the ETS

Funds should be distributed based on excellence to drive innovative technologies.

5. Delivering a robust carbon price signal

The review should not establish price caps or corridors that would dilute the price signal.

We look forward to working with you throughout the legislative process.

Yours sincerely,



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