

The European Council agreed its general approach for the review of the emission trading system (ETS), which will soon be followed by negotiations with the European Parliament, the Council announced in a statement late Tuesday.

The ETS is one of the main tools to reduce greenhouse gas emissions and the review will contribute to the EU's goal of cutting its emissions by at least 40 percent by 2030, as committed under the Paris Agreement on climate change, the statement said.

This will be followed by negotiations with the European Parliament, which will start with the aim of reaching an agreement on the final text.

"This is important for us, for our planet and for future generations. The Paris Agreement was a landmark achievement, but we need to put words into action. A better functioning ETS will reduce emissions further. The EU is delivering on its promises, because it cares about a better future for all," Jose A. Herrera, minister for the environment of Malta and president of the council, was quoted as saying.

The ETS, which was launched in 2005, puts a limit on the total emissions from high-emitting industry sectors and power plants. Within this limit, which is reduced each year, companies can buy and sell emission allowances.

Each allowance gives companies the right to emit one tonne of CO<sub>2</sub>, the main greenhouse gas, or the equivalent in other greenhouse gases.

This helps create incentives for companies to cut their emissions, the statement read.

*Source: Energia*