

## Response to EC Consultation on the functioning of the EU ETS Auctioning Regulation

10 March 2016

There needs to be full transparency, i.a. for the moments that the Market Stability Reserve (MSR) is triggered. There should be clear proof that the criteria have been met for certain intervention, before such intervention is executed.

The intention of the MSR is to intervene in the market by reducing/ increasing the auctioning amounts (supply) in function of allowances amount in the market.

This intervention in the market, with purpose to control EUA price, should be executed correctly and monitored thoroughly. EUA price highly impacts competitiveness of energy intensive industries. Therefore insight and transparency in the MSR mechanism's execution is imperative.

By giving continuous transparency, there should be no doubt and clear proof that the criteria have been met for certain MSR intervention before such intervention is executed. In other words, the commission should give next to the "total number of allowances in circulation" (Article 1 par 4 of Decision 2015/1814/EU (MSR)) also clear explanation and proof of this number.