

# EU lawmakers to vote on reform of 'polluter pays'

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Tractors block a street during a demonstration to denounce new governmental regulations on nitrate, in the center of La Roche-sur-Yon, France, on January 16, 2013. EU lawmakers will vote again on controversial plans to make polluters pay more for the greenhouse gas emissions blamed for global warming, after narrowly rejecting the proposal last month, a top MEP said on Tuesday.

EU lawmakers will vote again on controversial plans to make polluters pay more for the greenhouse gas emissions blamed for global warming, after narrowly rejecting the proposal last month, a top MEP said on

Tuesday.

The European Parliament's Environment Committee will issue a new report on June 19 on the plan to freeze pollution credits covering 900 million tonnes of [carbon dioxide emissions](#), committee head Matthias Groote said on his Twitter account.

The "report will then be submitted to a vote in (parliament's) July plenary session," Groote added.

The European Commission, the EU's executive arm, wants the freeze so as to force up the price of the pollution credits companies are required to buy to cover their CO2 [emissions](#).

Prices are currently so low that companies are happy to pollute and pay for the credits rather than invest in the cleaner technology the Commission wants them to introduce as part of efforts to curb pollution.

The Commission says that if prices can be increased, companies will then see it is cheaper in the long-run to upgrade their technology.

Last month, the [European Parliament](#) voted 334 against the planned freeze, with 315 for and 63 abstentions, sparking another plunge in pollution credit prices and calling into question the future of the EU's [Emissions Trading](#) System (ETS).

Many MEPs condemned as a matter of principle what they said were Commission efforts to intervene in the market while the higher prices would only hurt industry at a time when the struggling economy needs all the help it can get.

Environment ministers of nine EU member states—among them Britain, France and Germany—meanwhile reiterated their support for the freeze

in a letter Tuesday.

The freeze "constitutes a short-term solution pending a reform of the ETS," German Environment Minister Peter Altmaier said in the letter.

Analysts said that the credits freeze, covering the period 2013-15, is at best a stop-gap solution.

"The [CO2 emissions](#) market has crashed, with the price plunging to less than three euros per tonne," one analyst said.

Even if the freeze is approved in July, it will at best push the price up to six or seven euros, well short of the 30 euros required to get the ETS working properly.

"That will allow the patient to be stabilised, then cared for," the analyst added.

The ETS was set up with the aim of cutting [greenhouse gas emissions](#) by some 20 percent between 2005 and 2020.

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