

EU court overturns carbon market free quotas

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The EU's top court overturns free quotas for the bloc's carbon market up to 2030, a key part of strategies to curb global warming emissions

The EU's top court on Thursday overturned free quotas for the bloc's carbon market up to 2030, a key part of strategies to curb global warming emissions.

The European Commission in Brussels was given ten months to draw up

new figures by the Luxembourg-based European Court of Justice.

The ruling came in a case brought by a number of companies including Esso and Dow against national authorities in Italy, the Netherlands and Austria.

"The court declares invalid the maximum annual amount of free allowances for [greenhouse gas emissions](#) determined by the Commission for the period 2013-2020," the court said in a statement.

The court said the European Commission, the executive arm of the 28-nation EU that sets the quotas, had used figures given by some countries that should not have been included.

The EU's Emissions Trading System (ETS), the world's largest, puts a cap on [carbon dioxide](#) emitted by large factories and other companies.

The firms can trade in quotas of these emissions—the idea being to provide a carrot to improve energy efficiency or switch to cleaner sources so that they keep within the ceiling.

A large part of the quotas are free, partly to help European companies against international competitors.

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