



The UK ETS Authority has published a consultation on extending the scheme beyond its current legislated phase, which ends in 2030. Extending the scheme from 2031 onwards will ensure that participants within the Scheme continue to be subject to their compliance obligations, that greenhouse gas emissions covered by the Scheme remain capped, and that emissions allowances can continue to be traded. This will provide certainty for participants and maintain the incentive to decarbonise their operations by investing in sustainable technologies.

[Read the consultation here](#)

The Authority's intention is to continue the UK ETS beyond its current legislated phase and legislate for this when parliamentary time allows, as set out in the Authority's December 2023 Long Term Pathway for the UK ETS. This consultation is a necessary step towards fulfilling that commitment, and asks for views on the extension of the scheme.

The Authority is also seeking views on some of the key features of Phase II of the UK ETS:

1. The Authority proposes to extend the scheme's existing flexibility provisions to allow the banking of emissions allowances between Phase I and the proposed Phase II and asks for views on this.
2. The consultation also seeks stakeholder views on options for the length of the proposed Phase II.

The Authority also sets out its intention to consult on a proposed cap trajectory beyond 2030 following the setting of Carbon Budget 7 in Summer 2026 and to respond to this consultation as soon as possible, to give participants certainty over the future UK ETS cap.

### **Stakeholder engagement**

The UK ETS Authority is holding a webinar to give an overview of the consultation on 27 February at 14:05.

[Sign up to attend here](#)

The Authority will send invitations to detailed workshops on the consultation following the webinar. These will be take place after the [Free Allocation Review consultation](#) closes on 10 March.

### **Respond to the consultation**

The consultation will be open for 8 weeks, closing on 9 April 2025.

You can read the consultation and find a link to the response form on citizenspace [here](#).

If you have questions about UK ETS policy, you can contact each of the four governments that comprise the UK ETS Authority.

UK Government: [emissions.trading@energysecurity.gov.uk](mailto:emissions.trading@energysecurity.gov.uk)

Scottish Government: [emissions.trading@gov.scot](mailto:emissions.trading@gov.scot)

Welsh Government: [ClimateChangeAndEnergyEfficiency@gov.wales](mailto:ClimateChangeAndEnergyEfficiency@gov.wales)

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