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European Energy Exchange Appointed as Common EU ETS Auction Platform from 2027

Key policies: *EU Emissions Trading System (EU ETS), EU Emissions Trading System 2 (ETS2), European Green Deal, EU Climate Law, Innovation Fund, Modernisation Fund, Social Climate Fund*

The European Commission has appointed the **European Energy Exchange (EEX)** as the **common auction platform** for the European Union Emissions Trading System (EU ETS) from **2027**, following a joint procurement procedure involving the European Commission, the 27 EU Member States and the three EEA-EFTA countries – Iceland, Liechtenstein and Norway.

The appointment ensures the continued operation of a single, transparent and efficient auction platform for emission allowances under both the existing **EU ETS (ETS1)** and the new **EU ETS2**, which will cover emissions from buildings, road transport and additional sectors.

The new five-year contract, signed on **2 June 2026**, also includes the **European Commodity Clearing (ECC)**, which will continue to provide clearing services for the auctions.

Continuing the operation of the EU carbon market

The European Energy Exchange will continue to manage the auctioning of emission allowances for the majority of participating countries under the EU ETS.

From **2027**, EEX will auction **ETS1 allowances** on behalf of:

- 25 participating EU Member States (all except Germany and Poland)
- Iceland
- Liechtenstein
- Norway
- The Innovation Fund
- The Modernisation Fund
- The Greek Decarbonisation Fund

The appointment ensures continuity in the operation of the EU carbon market, as EEX already serves as the current common auction platform.

Supporting the launch of ETS2

In addition to ETS1, EEX will become responsible for auctioning allowances under the **EU Emissions Trading System 2 (ETS2)**.

ETS2 extends carbon pricing to:

- Buildings
- Road transport

- Additional fuel sectors

The platform will auction ETS2 allowances for:

- All EU Member States
- Iceland
- Liechtenstein
- Norway
- The Social Climate Fund

Although ETS2 will become fully operational in **2028**, the auctioning of ETS2 allowances will begin in **January 2027** to ensure the orderly functioning of the new system before compliance obligations start.

Ensuring transparency and market stability

The common auction platform plays a central role in the operation of the EU carbon market by organising the regular sale of emission allowances in a transparent, competitive and non-discriminatory manner.

The auction system provides market participants with equal access to allowances while supporting:

- Efficient price formation
- Market transparency
- Regulatory certainty
- Stable implementation of the EU ETS

A harmonised auction platform also contributes to the smooth functioning of Europe's carbon market by ensuring consistent procedures across participating countries.

Transition to the new contract

The current auctioning arrangements will remain in place until the end of **2026**.

EEX will continue operating under its existing mandate and auction **ETS1 allowances** until **14 December 2026**.

The new contractual framework will then enter into force in **2027**, ensuring a seamless transition between auction periods.

The European Commission will publish the **2027 auction calendars** for both ETS1 and ETS2 in the coming months.

Supporting Europe's climate objectives

The EU Emissions Trading System remains the European Union's principal market-based instrument for reducing greenhouse gas emissions.

By providing a reliable auction platform for the allocation of emission allowances, EEX supports the effective implementation of carbon pricing while generating revenues that finance key European climate initiatives, including:

- The Innovation Fund
- The Modernisation Fund
- The Social Climate Fund
- National decarbonisation programmes

These instruments help accelerate investment in clean technologies, industrial decarbonisation and a socially fair transition towards climate neutrality.

Background

The **European Energy Exchange (EEX)** has served as the common auction platform for the **EU Emissions Trading System (EU ETS)** since the introduction of centralised auctioning and will continue this role under a new five-year contract beginning in **2027**.

The appointment follows a joint procurement procedure carried out by the European Commission, the 27 EU Member States and the three participating EEA-EFTA countries. Under the new agreement, EEX will continue auctioning allowances for the existing **EU ETS (ETS1)** while also managing auctions for the new **ETS2**, which extends carbon pricing to buildings, road transport and additional sectors.

By ensuring the efficient and transparent auctioning of emission allowances, the common auction platform supports the integrity of the European carbon market and contributes to the European Union's objective of achieving climate neutrality by 2050.

Source: https://climate.ec.europa.eu/news-other-reads/news/european-energy-exchange-appointed-eu-ets-common-auction-platform-2027-2026-06-04_en