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Sandbag publishes a new briefing on [Stabilising the Market Stability Reserve](#)

Sandbag has published analysis of the impact of Phase 4 EU ETS reforms on the Market Stability Reserve (MSR) to accompany its latest briefing - 'Aligning the surplus with reality'.

Sandbag's projections show that under many scenarios the **MSR will grow to contain several billion allowances**.

This risks endangering both market stability and long term environmental goals. A threshold needs to be put in place to **limit the size of the MSR** with allowances above this threshold retired.