



**2015/0148(COD)**

7.7.2016

# **AMENDMENTS**

## **301 - 448**

**Draft report**

**Ian Duncan**

(PE582.397v02-00)

on the proposal for a directive of the European Parliament and of the Council amending Directive 2003/87/EC to enhance cost-effective emission reductions and low-carbon investments

Proposal for a directive

(COM(2015)0337 – C8-0190/2015 – 2015/0148(COD))



**Amendment 301**  
**Bas Eickhout**

**Proposal for a directive**

**Article 1 – point 5 – point a**

Directive 2003/87/EC

Article 10a – paragraph 1 – subparagraph 2

*Text proposed by the Commission*

The Commission *shall be* empowered to adopt a delegated act in accordance with Article 23. *This act shall also provide* for additional allocation from the new entrants reserve for significant production *increases by applying the same thresholds and allocation adjustments as apply in respect of partial cessations of operation.*

*Amendment*

The Commission *is* empowered to adopt a delegated act in accordance with Article 23 *to supplement this Directive by providing* for additional allocation from the new entrants reserve for significant production *changes. They shall, in particular, provide that any 15% increase or decrease in production expressed as a rolling average of verified production data for the two preceding years compared to the production activity reported in accordance with Article 11 is adjusted with a corresponding amount of allowances by placing allowances into, and releasing them from, the reserve referred to in paragraph 7.*

Or. en

*Justification*

*The decrease or increase in allowances should take effect when there is a 15% change in an installation's activity in two preceding years.*

**Amendment 302**

**Jytte Guteland, Matthias Groote, Soledad Cabezón Ruiz, Jo Leinen, Giorgos Grammatikakis, Seb Dance, Carlos Zorrinho, Pavel Poc, José Blanco López, Simona Bonafè, Kathleen Van Brempt, Massimo Paolucci, Damiano Zoffoli, Renata Briano, Elena Gentile, Christel Schaldemose, Gilles Pargneaux**

**Proposal for a directive**

**Article 1 – point 5 – point a**

Directive 2003/87/EC

Article 10a – paragraph 1 – subparagraph 2

*Text proposed by the Commission*

The Commission **shall be** empowered to adopt a delegated act in accordance with Article 23. This act shall also provide for additional allocation from the new entrants reserve for significant production **increases by applying the same thresholds and allocation adjustments as apply in respect of partial cessations of operation.**

*Amendment*

The Commission **is** empowered to adopt a delegated act in accordance with Article 23 **to supplement this directive.** This act shall also provide for additional allocation from the new entrants reserve for significant production **changes. Any 10% increase or decrease in production expressed as a rolling average of verified production data for the two preceding years compared to the production activity reported in accordance with Article 11 shall be adjusted with a corresponding amount of allowances by placing allowances into and releasing allowances from the reserve referred to in paragraph 7.**

Or. en

*Justification*

*More dynamic allocation based on the rolling average of two preceding years.*

**Amendment 303**

**Andrzej Grzyb, Miroslav Mikolášik**

**Proposal for a directive**

**Article 1 – point 5 – point a**

Directive 2003/87/EC

Article 10a – paragraph 1 – subparagraph 2

*Text proposed by the Commission*

The Commission **shall be** empowered to adopt a delegated act in accordance with Article 23. This act shall also provide for additional allocation from the new entrants reserve for **significant** production increases by applying the same thresholds and allocation adjustments as apply in respect of partial cessations of operation.

*Amendment*

The Commission **is** empowered to adopt a delegated act in accordance with Article 23 **to supplement this directive.** This act shall also provide for additional allocation from the new entrants reserve for production increases by applying the same thresholds and allocation adjustments as apply in respect of partial cessations of operation. **To enhance flexibility in the supply of free allowances, the threshold shall be lowered in order to better track real industrial**

*activity variation levels. The threshold shall not exceed 10,000 allowances per year or 5% of the yearly allocation.*

Or. en

#### **Amendment 304**

**György Hölvényi, András Gyürk**

#### **Proposal for a directive**

##### **Article 1 – point 5 – point a**

Directive 2003/87/EC

Article 10a – paragraph 1 – subparagraph 2

#### *Text proposed by the Commission*

The Commission *shall be* empowered to adopt a delegated act in accordance with Article 23. This act *shall* also provide *for additional allocation from the new entrants reserve for significant production increases by applying the same thresholds and allocation adjustments as apply in respect of partial cessations of operation.*

#### *Amendment*

The Commission *is* empowered to adopt a delegated act in accordance with Article 23 *to supplement this directive.* This act *will* also provide *allocation adjustment for each year after the third year of the period of 2020-2030 to reflect changes in the activity level of the installations during the previous two years. In the event that the total number of allowances to be allocated free of charge goes beyond the level of the total number of free allowances, this act shall also provide for additional allocation from the new entrants reserve.*

Or. en

#### **Amendment 305**

**Jens Gieseke**

#### **Proposal for a directive**

##### **Article 1 – point 5 – point a**

Directive 2003/87/EC

Article 10a – paragraph 1 – subparagraph 2

#### *Text proposed by the Commission*

The Commission *shall be* empowered to adopt a delegated act in accordance with

#### *Amendment*

The Commission *is* empowered to adopt a delegated act in accordance with Article 23

Article 23. This act shall also provide for additional allocation from the new entrants reserve for significant production increases by applying the same thresholds and allocation adjustments as apply in respect of partial cessations of operation.

*to supplement this directive.* This act shall also provide for additional allocation from the *amount established in accordance with paragraph 5 for complementing free allocation for the application of paragraph 7 and from the* new entrants reserve for significant production increases by applying the same thresholds and allocation adjustments as apply in respect of partial cessations of operation.

Or. en

### *Justification*

*The combined application of the cross-sectoral correction factor and a percentage-based reduction of the benchmark result in the best performer not receiving allowances according to the benchmark defined by emission data of best performers. The proposed amendment maintains the overall environmental ambition (because the cap is maintained) but does so by maximizing the level of carbon leakage protection for the most vulnerable sectors.*

### **Amendment 306** **Matteo Salvini**

#### **Proposal for a directive**

#### **Article 1 – point 5 – point a**

Directive 2003/87/EC

Article 10a – paragraph 1 – subparagraph 2

#### *Text proposed by the Commission*

The Commission *shall be* empowered to adopt a delegated act in accordance with Article 23. This act shall also provide for additional allocation from the new entrants reserve for *significant* production increases by applying *the same thresholds and allocation adjustments as apply in respect of partial cessations of operation.*

#### *Amendment*

The Commission *is* empowered to adopt a delegated act in accordance with Article 23 *to supplement this directive.* This act shall also provide for additional allocation from the new entrants reserve for production increases by applying *a production threshold of 15%.*

Or. en

### **Amendment 307**

**Françoise Grossetête, Angélique Delahaye, Michel Dantin**

**Proposal for a directive**

**Article 1 – point 5 – point a**

Directive 2003/87/EC

Article 10a – paragraph 1 – subparagraph 2

*Text proposed by the Commission*

The Commission **shall be** empowered to adopt a delegated act in accordance with Article 23. This act shall also provide for additional allocation from the new entrants reserve for **significant** production **increases** by applying the same thresholds and allocation adjustments **as apply** in respect of partial cessations of operation.

*Amendment*

The Commission **is** empowered to adopt a delegated act in accordance with Article 23 **to supplement this directive**. This act shall also provide for additional allocation from the new entrants reserve for production **variations** by applying the same thresholds and allocation adjustments in respect of partial cessations of operation.

Or. en

*Justification*

*We should take into account variations of production, not only increases of significant production, but also decreases of significant production.*

**Amendment 308**

**Elisabetta Gardini, Alberto Cirio**

**Proposal for a directive**

**Article 1 – point 5 – point a a (new)**

Directive 2003/87/EC

Article 10a – paragraph 1 – subparagraph 3

*Present text*

The measures referred to in the first subparagraph shall, to the extent feasible, determine **Community**-wide ex-ante benchmarks so as to ensure that allocation takes place in a manner that provides incentives for reductions in greenhouse gas emissions and energy efficient techniques, by taking account of the most efficient techniques, substitutes, alternative production processes, high efficiency

*Amendment*

**(aa) In paragraph 1, subparagraph 3 is replaced by the following:**

The measures referred to in the first subparagraph shall, to the extent feasible, determine **Union**-wide ex-ante benchmarks so as to ensure that allocation takes place in a manner that provides incentives for reductions in greenhouse gas emissions and energy efficient techniques, by taking account of the most efficient techniques, substitutes, alternative production processes, high efficiency cogeneration,

cogeneration, efficient energy recovery of waste gases, use of biomass and capture and storage of CO<sub>2</sub>, where such facilities are available, and shall not provide incentives to increase emissions. No free allocation shall be made in respect of any electricity production, except for cases falling within Article 10c and electricity produced from waste gases.'

efficient energy recovery of waste gases, use of biomass, and capture and storage of CO<sub>2</sub>, where such facilities are available, and shall not provide incentives to increase emissions. No free allocation shall be made in respect of any electricity production, except for cases falling within Article 10c, electricity produced from waste gases *and electricity produced either in connection with industrial heat through high efficiency cogeneration as defined in Directive 2004/8/EC<sup>1a</sup>, provided that it is produced for the own consumption of the operators of the installations exposed to the risk of carbon leakage.'*

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*<sup>1a</sup> Directive 2004/8/EC of the European Parliament and of the Council of 11 February 2004 on the promotion of cogeneration based on a useful heat demand in the internal energy market and amending Directive 92/42/EEC (OJ L 52, 21.2.2004, p. 50).*

Or. en

**Amendment 309**  
**Jens Gieseke**

**Proposal for a directive**  
**Article 1 – point 5 – point a a (new)**  
Directive 2003/87/EC  
Article 10a – paragraph 1 – subparagraph 3

*Present text*

'The measures referred to in the first subparagraph shall, to the extent feasible, determine *Community-wide* ex-ante benchmarks so as to ensure that allocation takes place in a manner that provides incentives for reductions in greenhouse gas emissions and energy efficient techniques, by taking account of the most efficient

*Amendment*

*(aa) In paragraph 1, subparagraph 3 is replaced by the following:*

'The measures referred to in the first subparagraph shall, to the extent feasible, determine *Union-wide* ex-ante benchmarks so as to ensure that allocation takes place in a manner that provides incentives for reductions in greenhouse gas emissions and energy efficient techniques, by taking account of the most efficient techniques,



techniques, substitutes, alternative production processes, high efficiency cogeneration, efficient energy recovery of waste gases, use of biomass **and capture and storage of CO<sub>2</sub>**, where such facilities are available, and shall not provide incentives to increase emissions. No free allocation shall be made in respect of any electricity production, except for cases falling within Article 10c **and** electricity produced from waste gases.'

substitutes, alternative production processes, high efficiency cogeneration, efficient energy recovery of waste gases, use of biomass, **CCS and CCU** where such facilities are available, and shall not provide incentives to increase emissions. No free allocation shall be made in respect of any electricity production, except for cases falling within Article 10c, **for installations in remote or rural areas for the electricity produced for their own use, for non-grid connected offshore oil and gas platforms as well as** electricity produced from waste gases.'

Or. en

### *Justification*

*The use of self-produced electricity by high efficient industrial CHP plants is one of the most efficient and climate / environmental friendly ways of electricity production and should therefore not be discriminated.*

### **Amendment 310**

**Françoise Grossetête, Angélique Delahaye, Michel Dantin**

#### **Proposal for a directive**

**Article 1 – point 5 – point a a (new)**

Directive 2003/87/EC

Article 10a – paragraph 1 – subparagraph 3

#### *Present text*

'The measures referred to in the first subparagraph shall, to the extent feasible, determine **Community**-wide ex-ante benchmarks so as to ensure that allocation takes place in a manner that provides incentives for reductions in greenhouse gas emissions and energy efficient techniques, by taking account of the most efficient techniques, substitutes, alternative production processes, high efficiency cogeneration, efficient energy recovery of

#### *Amendment*

**(aa) In paragraph 1, subparagraph 3 is replaced by the following:**

'The measures referred to in the first subparagraph shall, to the extent feasible, determine **Union**-wide ex-ante benchmarks so as to ensure that allocation takes place in a manner that provides incentives for reductions in greenhouse gas emissions and energy efficient techniques, by taking account of the most efficient techniques, substitutes, alternative production processes, high efficiency cogeneration, efficient energy recovery of waste gases,

waste gases, use of biomass and capture and storage of CO<sub>2</sub>, where such facilities are available, and shall not provide incentives to increase emissions. No free allocation shall be made in respect of any electricity production, except for cases falling within Article 10c *and* electricity produced from waste gases.'

*sustainable* use of biomass and capture and storage of CO<sub>2</sub>, where such facilities are available, and shall not provide incentives to increase emissions. No free allocation shall be made in respect of any electricity production, except for cases falling within Article 10c, *for non-grid connected offshore oil and gas platforms and for* electricity produced from waste gases.'

Or. en

#### *Justification*

*These platforms are not connected to the electricity grid and need to produce power for their own use. Therefore, the risk of windfall profits does not exist.*

#### **Amendment 311**

**Françoise Grossetête, Angélique Delahaye, Michel Dantin**

#### **Proposal for a directive**

#### **Article 1 – point 5 – point a b (new)**

Directive 2003/87/EC

Article 10a – paragraph 1 – subparagraph 3 a (new)

*Text proposed by the Commission*

*Amendment*

*(ab) In paragraph 1, the following subparagraph is inserted:*

*'The allocation of free allowances shall be dynamic. On each period of 2 years over 2021-2030, Member States shall determine historical activity levels of each installation for the baseline period, based on the average production during the following periods:*

- from 1 January 2017 to 31 December 2018 for the allocation period 2021-2022,*
- from 1 January 2019 to 31 December 2020 for the allocation period 2023-2024,*
- from 1 January 2021 to 31 December 2022 for the allocation period*

2025-2026,

- *from 1 January 2023 to 31  
December 2024 for the allocation period  
2027-2028,*

- *from 1 January 2025 to 31  
December 2026 for the allocation period  
2029-2030.'*

Or. en

### *Justification*

*The Commission must adopt a real dynamic approach in practice and take into account the production data of the most recent years possible in practice for the calculation of free allocations.*

### **Amendment 312**

**Andrzej Grzyb, Andrey Kovatchev, Miroslav Mikolášik**

#### **Proposal for a directive**

**Article 1 – point 5 – point a c (new)**

Directive 2003/87/EC

Article 10a – paragraph 2 – subparagraph 1

#### *Present text*

'In defining the principles for setting ex-ante benchmarks *in* individual *sectors or subsectors*, the *starting point* shall be the average performance of the 10 % most efficient installations in a sector or subsector in the Community in the years **2007-2008**. *The Commission shall consult the relevant stakeholders, including the sectors and subsectors concerned.*'

#### *Amendment*

*(ac) In paragraph 2, subparagraph 1 is replaced by the following:*

'In defining the principles for setting ex-ante benchmarks *for* individual *products in each sector and sub-sector, the benchmark* shall be the average performance of the 10 % most efficient installations *for individual products* in a sector *and* sub-sector in the Community in the years **2013-2017**.'

Or. en

### **Amendment 313**

**Claudiu Ciprian Tănăsescu, Daciana Octavia Sârbu**

**Proposal for a directive**  
**Article 1 – point 5 – point a c (new)**  
Directive 2003/87/EC  
Article 10a – paragraph 2 – subparagraph 1

*Present text*

*'In defining the principles for setting ex-ante benchmarks in individual sectors or subsectors, the starting point shall be the average performance of the 10 % most efficient installations in a sector or subsector in the **Community** in the years **2007-2008**. The Commission shall consult the relevant stakeholders, including the sectors and subsectors concerned.'*

*Amendment*

*(ac) In paragraph 2, subparagraph 1 is replaced by the following:*

*'The starting point shall be the average performance of the 10% most efficient installations in a sector or subsector in the **Union** in the years **2017-2018**. The Commission shall consult the relevant stakeholders, including the sectors and subsectors concerned.'*

Or. en

**Amendment 314**  
**Gerben-Jan Gerbrandy, Jasenko Selimovic, José Inácio Faria**

**Proposal for a directive**  
**Article 1 – point 5 – point a d (new)**  
Directive 2003/87/EC  
Article 10a – paragraph 2 – subparagraph 1 a (new)

*Present text*

*(ad) In paragraph 2, the following subparagraph is inserted:*

*'Free allocation shall only be given to sectors and subsectors for which data is provided in accordance with the harmonised established methodology.'*

Or. en

*Justification*

*Real data must be taken into account in the benchmark setting. For those sectors and subsectors that have not provided the necessary data, the Commission should withhold free allocation.*

## **Amendment 315**

**Eleonora Evi, Dario Tamburrano, Marco Affronte, Piernicola Pedicini**

### **Proposal for a directive**

#### **Article 1 – point 5 – point b**

Directive 2003/87/EC

Article 10a – paragraph 2 – subparagraphs 2, 3 and 4

*Text proposed by the Commission*

*Amendment*

**(b) a new third subparagraph is added to paragraph 2 as follows:**

**(b) in paragraph 2, subparagraphs 2, 3 and 4 are deleted.**

*"The benchmark values for free allocation shall be adjusted in order to avoid windfall profits and reflect technological progress in the period between 2007-8 and each later period for which free allocations are determined in accordance with Article 11(1). This adjustment shall reduce the benchmark values set by the act adopted pursuant to Article 10a by 1% of the value that was set based on 2007-8 data in respect of each year between 2008 and the middle of the relevant period of free allocation, unless:*

*(i) On the basis of information submitted pursuant to Article 11, the Commission shall identify whether the values for each benchmark calculated using the principles in Article 10a differ from the annual reduction referred to above by more than 0.5% of the 2007-8 value higher or lower annually. If so, that benchmark value shall be adjusted either 0.5% or 1.5% in respect of each year between 2008 and the middle of the period for which free allocation is to be made;*

*(ii) By way of derogation regarding the benchmark values for aromatics, hydrogen and syngas, these benchmark values shall be adjusted by the same percentage as the refineries benchmarks in order to preserve a level playing field for producers of these products.*

*The Commission shall adopt an*

*implementing act for this purpose in accordance with Article 22a."*

Or. en

## **Amendment 316**

**Renate Sommer, Gesine Meissner, Alexander Graf Lambsdorff, Ulrike Müller**

### **Proposal for a directive**

#### **Article 1 – point 5 – point b**

Directive 2003/87/EC

Article 10a – paragraph 2 – subparagraph 3 – introductory part

#### *Text proposed by the Commission*

The benchmark values for free allocation shall be *adjusted in order to avoid windfall profits* and reflect technological progress in *the period between 2007-8 and each later period for which free allocations are determined in accordance with Article 11(1). This adjustment shall reduce the benchmark values set by the act adopted pursuant to Article 10a by 1 % of the value that was set based on 2007-8 data in respect of each year between 2008 and the middle of the relevant period of free allocation, unless:*

#### *Amendment*

*Account being taken of the total carbon content of waste gas used for electricity production, the benchmark values for free allocation for the fourth trading period shall be laid down by the Commission by 31 December 2017 and shall reflect technological progress in 2014 and 2015. For the fourth trading period, the benchmark values shall be determined solely on the basis of average emissions from the most efficient 10% of installations. The benchmark values for the fourth period shall be developed with the involvement of a forum made up of Member State representatives and the industries concerned. The forum shall be set up by the Commission; it shall be regularly convened and involved in the practical arrangements for the development of the benchmark values (rules of procedure of the forum, work programme, guidelines for the collection of relevant data, and calculating the benchmark values). The benchmark values shall be set on the basis of the forum's input. The Commission shall document the development process and publish the documentation together with the benchmark values.*

Or. de

## *Justification*

*The proposed across-the-board reduction in benchmarks fails to take sufficient account of the genuine technological progress made by the best-performing 10% of installations in a given sector. It ignores reductions that have been made to date, and assumes further reductions for the future that are not achievable in practice. That will bring about unwarranted free-allocation reductions. For the fourth trading period, accordingly, benchmark values should be set only once, giving installation operators enough time to adjust to the new environment.*

### **Amendment 317**

**Jadwiga Wiśniewska, Bolesław G. Piecha**

#### **Proposal for a directive**

#### **Article 1 – point 5 – point b**

Directive 2003/87/EC

Article 10a – paragraph 2 – subparagraph 3 – introductory part

*Text proposed by the Commission*

*Amendment*

*The benchmark values for free allocation shall be adjusted in order to avoid windfall profits and reflect technological progress in the period between 2007-8 and each later period for which free allocations are determined in accordance with Article 11(1). This adjustment shall reduce the benchmark values set by the act adopted pursuant to Article 10a by 1 % of the value that was set based on 2007-8 data in respect of each year between 2008 and the middle of the relevant period of free allocation, unless:*

*In defining the principles for setting ex-ante benchmarks in individual sectors or subsectors for the years 2021-2030, the starting point shall be the average performance of the 20 % most efficient installations in a sector or subsector in the Community in the years 2013-2017.*

Or. pl

## *Justification*

*Allocations for the next reference period should be made on the basis of more realistic benchmark values. A sample of 10 % of the most efficient installations does not give an accurate representation of the sector, since installations that are very efficient in terms of industrial process sometimes do not fall within this category due to other factors (production volume or fuel used). However, they should not be penalised in respect of external factors which are not always dependent on them.*

## Amendment 318

Massimo Paolucci, Renata Briano, Damiano Zoffoli, Simona Bonafè, Elena Gentile, Nicola Caputo, Caterina Chinnici

### Proposal for a directive

#### Article 1 – point 5 – point b

Directive 2003/87/EC

Article 10a – paragraph 2 – subparagraph 3 – introductory part

#### *Text proposed by the Commission*

The benchmark values for free allocation shall be adjusted in order to avoid windfall profits and reflect technological progress *in* the period between 2007-8 *and each later period for which free allocations are determined* in accordance with Article 11(1). *This adjustment shall reduce the benchmark values set by the act adopted pursuant to Article 10a by 1% of the value that was set based on 2007-8 data in respect of each year between 2008 and the middle of the relevant period of free allocation, unless:*

#### *Amendment*

The benchmark values for free allocation shall be adjusted *and calculated* in order to avoid windfall profits and reflect technological progress *that has occurred since* the period 2007 to 2008. *This calculation shall review the benchmark values set by the act adopted pursuant to this Article based on verified data collected* in accordance with Article 11(1) *and increase the number of product benchmarks as much as possible, in order to reduce the application of fall back approaches to a minimum. Where the calculation of product benchmarks is not feasible and fall back approaches still represent the allocation method, rules to prevent perverse incentives deriving from activity level reduction linked to energy efficiency improvement shall be developed.*

Or. en

## Amendment 319

Andrzej Grzyb, Andrey Kovatchev, Miroslav Mikolášik

### Proposal for a directive

#### Article 1 – point 5 – point b

Directive 2003/87/EC

Article 10a – paragraph 2 – subparagraph 3 – introductory part

#### *Text proposed by the Commission*

The *benchmark values for free allocation* shall be adjusted *in order to avoid windfall profits and reflect technological progress*

#### *Amendment*

The *benchmarks* shall be adjusted *two years before the beginning of each trading period, in order to avoid windfall*



*in the period between 2007-8 and each later period for which free allocations are determined in accordance with Article 11(1). This adjustment shall reduce the benchmark values set by the act adopted pursuant to Article 10a by 1% of the value that was set based on 2007-8 data in respect of each year between 2008 and the middle of the relevant period of free allocation, unless:*

*profits and reflect technological progress, taking into consideration the following:*

Or. en

### **Amendment 320**

**Elisabetta Gardini, Massimiliano Salini, Antonio Tajani, Giovanni La Via, Adina-Ioana Vălean, Alberto Cirio**

### **Proposal for a directive**

#### **Article 1 – point 5 – point b**

Directive 2003/87/EC

Article 10a – paragraph 2 – subparagraph 3 – introductory part

#### *Text proposed by the Commission*

The benchmark values for free allocation shall be *adjusted in order to avoid windfall profits and reflect technological progress in the period between 2007-8 and each later period for which free allocations are determined in accordance with Article 11(1). This adjustment shall reduce the benchmark values set by the act adopted pursuant to Article 10a by 1% of the value that was set based on 2007-8 data in respect of each year between 2008 and the middle of the relevant period of free allocation, unless:*

#### *Amendment*

The benchmark values for free allocation shall be *the average performance of the 10 % most efficient installations in a sector or subsector operating in the Union in the years 2013 to 2017.*

*Benchmarks shall be set after consulting the relevant stakeholders to take into account the real economic and technical development of industrial plants and processes in the individual sectors and subsectors.*

Or. en

## **Amendment 321**

**Françoise Grossetête, Angélique Delahaye, Michel Dantin**

### **Proposal for a directive**

#### **Article 1 – point 5 – point b**

Directive 2003/87/EC

Article 10a – paragraph 2 – subparagraph 3 – introductory part

#### *Text proposed by the Commission*

*The benchmark values for free allocation shall be **adjusted in order to avoid windfall profits and reflect technological progress in the period between 2007-8 and each later period for which free allocations are determined in accordance with Article 11(1). This adjustment shall reduce the benchmark values set by the act adopted pursuant to Article 10a by 1% of the value that was set based on 2007-8 data in respect of each year between 2008 and the middle of the relevant period of free allocation, unless:***

#### *Amendment*

***For the period from 2021 to 2030, the benchmark shall be determined as the average performance of the 10% most efficient installations in a sector or a sub-sector operating in the Union in the years 2013 to 2017. In defining the benchmarks, the Commission shall consult the relevant stakeholders, including the sectors and sub-sectors concerned. Data used to determine the benchmarks shall be representative, robust, transparent and easily available. The Commission shall publish the new values of the benchmark for each sector or sub-sector and the reasoned explanations.***

Or. en

#### *Justification*

*The flat rate proposed by the Commission for all industrial sectors is arbitrary because it does not take into account the specificities of each sector in view of 2030. Therefore it is necessary to set up benchmarks which are valid for the whole 2021-2030 period considering the performances of the 10% best performing installations on the previous years.*

## **Amendment 322**

**Ivo Belet, Pilar Ayuso, Francesc Gambús, Krišjānis Kariņš, Giovanni La Via, Peter Liese, Massimiliano Salini, Alojz Peterle, Annie Schreijer-Pierik, Christofer Fjellner**

### **Proposal for a directive**

#### **Article 1 – point 5 – point b**

Directive 2003/87/EC

Article 10a – paragraph 2 – subparagraph 3 – introductory part

*Text proposed by the Commission*

The benchmark values for free allocation shall be adjusted in order to ***avoid windfall profits and*** reflect technological progress in the period between 2007-8 and each later period for which free allocations are determined in accordance with Article 11(1). ***This adjustment shall reduce the benchmark values set by the act adopted pursuant to Article 10a by 1% of the value that was set based on 2007-8 data in respect of each year between 2008 and the middle of the relevant period of free allocation, unless:***

*Amendment*

The benchmark values for free allocation shall be adjusted in order to reflect technological progress in the period between 2007 ***to 2008*** and each later period for which free allocations are determined in accordance with Article 11(1).

Or. en

**Amendment 323**

**Jens Gieseke, Peter Jahr**

**Proposal for a directive**

**Article 1 – point 5 – point b**

Directive 2003/87/EC

Article 10a – paragraph 2 – subparagraph 3 – introductory part

*Text proposed by the Commission*

The benchmark values for free allocation shall be adjusted in order to ***avoid windfall profits and*** reflect technological progress in the period between 2007-8 and each later period for which free allocations are determined in accordance with Article 11(1). ***This adjustment shall reduce the benchmark values set by the act adopted pursuant to Article 10a by 1% of the value that was set based on 2007-8 data in respect of each year between 2008 and the middle of the relevant period of free allocation, unless:***

*Amendment*

The benchmark values for free allocation shall be adjusted in order to reflect technological progress in the period between 2007-8 and each later period for which free allocations are determined in accordance with Article 11(1). ***The process emission benchmark shall remain unchanged.***

Or. en

### *Justification*

*The Benchmark adjustment cannot be done for process emissions. A fall-back approach should be maintained because a tightening of the reduction without data analysis cannot depict efficiency gains. Such emissions are mostly unavoidable emissions which the companies usually cannot influence*

#### **Amendment 324**

**György Hölvényi, András Gyürk**

#### **Proposal for a directive**

#### **Article 1 – point 5 – point b**

Directive 2003/87/EC

Article 10a – paragraph 2 – subparagraph 3 – introductory part

#### *Text proposed by the Commission*

The benchmark values for free allocation shall be ***adjusted*** in order to avoid windfall profits and reflect technological progress ***in the period between 2007-8 and*** each later period for which free allocations are determined in accordance with Article 11(1). This adjustment shall ***reduce the benchmark values set by the act adopted pursuant to Article 10a by 1% of the value that was set based on 2007-8 data in respect of each year between 2008 and the middle of the relevant*** period of ***free allocation, unless:***

#### *Amendment*

The benchmark values for free allocation shall be ***updated*** in order to avoid windfall profits and reflect technological progress ***by 31 December 2018, and before the beginning of*** each later period for which free allocations are determined in accordance with Article 11(1). This adjustment shall ***be based on recent verified production and emission data of installations for the*** period of ***2016-2017.***

Or. en

### *Justification*

*Benchmarks should be based on real performances and verified emission data in order to reflect technological improvements and avoid the application of the CSCF.*

#### **Amendment 325**

**Matteo Salvini**

#### **Proposal for a directive**

#### **Article 1 – point 5 – point b**

Directive 2003/87/EC

Article 10a – paragraph 1 – subparagraph 3 – introductory part

*Text proposed by the Commission*

The benchmark values for free allocation shall be adjusted in order to avoid windfall profits and reflect technological progress in the period between 2007-8 and each later period for which free allocations are determined in accordance with Article 11(1). This adjustment shall reduce the benchmark values set by the act adopted pursuant to Article 10a by 1% of the value that was set based on 2007-8 data in respect of each year between 2008 and the middle of the relevant period of free allocation, unless:

*Amendment*

The benchmark values for free allocation shall be adjusted in order to avoid windfall profits *as well as undue carbon costs for the most efficient installations* and reflect technological progress in the period between 2007-8 and each later period for which free allocations are determined in accordance with Article 11(1). This adjustment shall reduce the benchmark values set by the act adopted pursuant to Article 10a by 1% of the value that was set based on 2007-8 data in respect of each year between 2008 and the middle of the relevant period of free allocation, unless:

Or. en

**Amendment 326**

**Claudiu Ciprian Tănăsescu, Daciana Octavia Sârbu**

**Proposal for a directive**

**Article 1 – point 5 – point b**

Directive 2003/87/EC

Article 10a – paragraph 2 – subparagraph 3 – introductory part

*Text proposed by the Commission*

The benchmark values for free allocation shall be adjusted in order to avoid windfall profits and reflect technological progress in the period between **2007-8** and each later period for which free allocations are determined in accordance with Article 11(1). ***This adjustment shall reduce the benchmark values set by the act adopted pursuant to Article 10a by 1% of the value that was set based on 2007-8 data in respect of each year between 2008 and the middle of the relevant period of free allocation, unless:***

*Amendment*

The benchmark values for free allocation shall be adjusted in order to avoid windfall profits and reflect technological progress in the period between **2017 and 2018** and each later period for which free allocations are determined in accordance with Article 11(1).

Or. en

**Amendment 327**  
**Marian-Jean Marinescu**

**Proposal for a directive**  
**Article 1 – point 5 – point b**

Directive 2003/87/EC

Article 10a – paragraph 2 – subparagraph 3 – introductory part

*Text proposed by the Commission*

The benchmark values for free allocation shall be adjusted in order to avoid windfall profits and reflect technological progress in the period between 2007-8 and each later period for which free allocations are determined in accordance with Article 11(1). ***This adjustment shall reduce the benchmark values set by the act adopted pursuant to Article 10a by 1% of the value that was set based on 2007-8 data in respect of each year between 2008 and the middle of the relevant period of free allocation, unless:***

*Amendment*

The benchmark values for free allocation shall be adjusted in order to avoid windfall profits and reflect technological progress in the period between ***2017 and 2018*** and each later period for which free allocations are determined in accordance with Article 11(1). ***The starting point shall be the average performance of the 10% most efficient installations in a sector or subsector in the Union in the years 2017-18. The Commission shall consult the relevant stakeholders, including the sectors and subsectors concerned.***

Or. en

**Amendment 328**

**Renate Sommer, Alexander Graf Lambsdorff, Gesine Meissner, Ulrike Müller**

**Proposal for a directive**  
**Article 1 – point 5 – point b**

Directive 2003/87/EC

Article 10a – paragraph 2 – subparagraph 3 – point i

*Text proposed by the Commission*

(i) ***On the basis of information submitted pursuant to Article 11, the Commission shall identify whether the values for each benchmark calculated using the principles in Article 10a differ from the annual reduction referred to above by more than 0.5 % of the 2007-8 value higher or lower annually. If so, that benchmark value shall be adjusted either 0.5 % or 1.5 % in respect of each year between 2008 and the middle of the period***

*Amendment*

***deleted***

*for which free allocation is to be made;*

Or. de

**Amendment 329**

**Jadwiga Wiśniewska, Bolesław G. Piecha**

**Proposal for a directive**

**Article 1 – point 5 – point b**

Directive 2003/87/EC

Article 10a – paragraph 2 – subparagraph 3 – point i

*Text proposed by the Commission*

*Amendment*

(i) *On the basis of information submitted pursuant to Article 11, the Commission shall identify whether the values for each benchmark calculated using the principles in Article 10a differ from the annual reduction referred to above by more than 0.5 % of the 2007-8 value higher or lower annually. If so, that benchmark value shall be adjusted either 0.5 % or 1.5 % in respect of each year between 2008 and the middle of the period for which free allocation is to be made;* *deleted*

Or. pl

**Amendment 330**

**Françoise Grossetête, Angélique Delahaye, Michel Dantin**

**Proposal for a directive**

**Article 1 – point 5 – point b**

Directive 2003/87/EC

Article 10a – paragraph 2 – subparagraph 3 – point i

*Text proposed by the Commission*

*Amendment*

(i) *On the basis of information submitted pursuant to Article 11, the Commission shall identify whether the values for each benchmark calculated using the principles in Article 10a differ from the annual reduction referred to* *deleted*

*above by more than 0.5% of the 2007-8 value higher or lower annually. If so, that benchmark value shall be adjusted either 0.5% or 1.5% in respect of each year between 2008 and the middle of the period for which free allocation is to be made;*

Or. en

**Amendment 331**

**Claudiu Ciprian Tănăsescu, Daciana Octavia Sârbu**

**Proposal for a directive**

**Article 1 – point 5 – point b**

Directive 2003/87/EC

Article 10a – paragraph 2 – subparagraph 3 – point i

*Text proposed by the Commission*

*Amendment*

(i) *On the basis of information submitted pursuant to Article 11, the Commission shall identify whether the values for each benchmark calculated using the principles in Article 10a differ from the annual reduction referred to above by more than 0.5% of the 2007-8 value higher or lower annually. If so, that benchmark value shall be adjusted either 0.5% or 1.5% in respect of each year between 2008 and the middle of the period for which free allocation is to be made;* *deleted*

Or. en

**Amendment 332**

**György Hölvényi, András Gyürk**

**Proposal for a directive**

**Article 1 – point 5 – point b**

Directive 2003/87/EC

Article 10a – paragraph 2 – subparagraph 3 – point i

*Text proposed by the Commission*

*Amendment*

(i) *On the basis of information* *deleted*



*submitted pursuant to Article 11, the Commission shall identify whether the values for each benchmark calculated using the principles in Article 10a differ from the annual reduction referred to above by more than 0.5% of the 2007-8 value higher or lower annually. If so, that benchmark value shall be adjusted either 0.5% or 1.5% in respect of each year between 2008 and the middle of the period for which free allocation is to be made;*

Or. en

**Amendment 333**  
**Marian-Jean Marinescu**

**Proposal for a directive**  
**Article 1 – point 5 – point b**  
Directive 2003/87/EC  
Article 10a – paragraph 2 – subparagraph 3 – point i

*Text proposed by the Commission*

*Amendment*

(i) *On the basis of information submitted pursuant to Article 11, the Commission shall identify whether the values for each benchmark calculated using the principles in Article 10a differ from the annual reduction referred to above by more than 0.5% of the 2007-8 value higher or lower annually. If so, that benchmark value shall be adjusted either 0.5% or 1.5% in respect of each year between 2008 and the middle of the period for which free allocation is to be made;*

*The benchmarks shall be reviewed once at the beginning of the trading period. The delegated acts adopted pursuant to Articles 14 and 15 shall provide for harmonised rules on monitoring, reporting and verification of production-related greenhouse gas emissions with a view to determining the ex-ante benchmarks.*

Or. en

**Amendment 334**  
**Andrzej Grzyb, Andrey Kovatchev, Miroslav Mikolášik**

**Proposal for a directive**  
**Article 1 – point 5 – point b**

*Text proposed by the Commission*

(i) ***On the basis of information submitted pursuant to Article 11, the Commission shall identify whether the values for each benchmark calculated using the principles in Article 10a differ from the annual reduction referred to above by more than 0.5% of the 2007-8 value higher or lower annually. If so, that benchmark value shall be adjusted either 0.5% or 1.5% in respect of each year between 2008 and the middle of the period for which free allocation is to be made;***

*Amendment*

(i) The Commission shall ***carry out a detailed impact assessment, taking into account the economic and technical development of industrial plants and processes for the individual products in the individual sectors and subsectors, and consulting the relevant stakeholders, including the sectors and subsectors concerned.***

Or. en

**Amendment 335**

**Ivo Belet, Pilar Ayuso, Francesc Gambús, Krišjānis Kariņš, Elisabeth Köstinger, Giovanni La Via, Peter Liese, Massimiliano Salini, Annie Schreijer-Pierik, Alojz Peterle**

**Proposal for a directive**

**Article 1 – point 5 – point b**

Directive 2003/87/EC

Article 10a – paragraph 2 – subparagraph 3 – point i

*Text proposed by the Commission*

(i) ***On the basis of information submitted pursuant to Article 11, the Commission shall identify whether the values for each benchmark calculated using the principles in Article 10a differ from the annual reduction referred to above by more than 0.5% of the 2007-8 value higher or lower annually. If so, that benchmark value shall be adjusted either 0.5% or 1.5% in respect of each year between 2008 and the middle of the period for which free allocation is to be made;***

*Amendment*

***Before the start of the trading period benchmarks in individual sectors and subsectors, shall be updated based on the average of the verified emissions of the 10% most efficient installations in a sector or subsector in the Union. Benchmarks shall be set on the basis of information submitted pursuant to Article 11.***

***The Commission shall consult the relevant stakeholders, including the sectors and subsectors concerned.***

**Amendment 336**

**Elisabetta Gardini, Massimiliano Salini, Antonio Tajani, Giovanni La Via, Adina-Ioana Vălean, Alberto Cirio**

**Proposal for a directive**

**Article 1 – point 5 – point b**

Directive 2003/87/EC

Article 10a – paragraph 2 – subparagraph 3 – point i

*Text proposed by the Commission*

*Amendment*

(i) *On the basis of information submitted pursuant to Article 11, the Commission shall identify whether the values for each benchmark calculated using the principles in Article 10a differ from the annual reduction referred to above by more than 0.5% of the 2007-8 value higher or lower annually. If so, that benchmark value shall be adjusted either 0.5% or 1.5% in respect of each year between 2008 and the middle of the period for which free allocation is to be made;*

*The benchmarks shall be reviewed once at the beginning of the fourth trading period.*

**Amendment 337**

**Jytte Guteland, Matthias Groote, Soledad Cabezón Ruiz, Jo Leinen, Giorgos Grammatikakis, Seb Dance, Pavel Poc, José Blanco López, Kathleen Van Brempt, Christel Schaldemose, Gilles Pargneaux**

**Proposal for a directive**

**Article 1 – point 5 – point b**

Directive 2003/87/EC

Article 10a – paragraph 2 – subparagraph 3 – point i

*Text proposed by the Commission*

*Amendment*

(i) On the basis of *information* submitted pursuant to Article 11, the Commission shall identify whether the values for each benchmark calculated using the principles in Article 10a differ from the

(i) On the basis of *verified production, emissions and other necessary data* submitted pursuant to Article 11, the Commission shall identify whether the values for each benchmark calculated using

annual reduction referred to above by more than 0.5% of the 2007-8 value higher or lower annually. If so, that benchmark value shall be adjusted either 0.5% or 1.5% in respect of each year between 2008 and the middle of the period for which free allocation is to be made;

the principles in Article 10a differ from the annual reduction referred to above by more than 0.5% of the 2007-8 value higher or lower annually. If so, that benchmark value shall be adjusted either 0.5% or 1.5% in respect of each year between 2008 and the middle of the period for which free allocation is to be made. *For sectors with unavoidable process emissions and where the real production and efficiency data submitted pursuant to Article 11 show annual reductions below 0,25% in respect of each year between 2008 and the middle of the period for which free allocation is to be made, the benchmark value shall be adjusted by 0,25%.*

*Correspondingly, for sectors where the real production and efficiency data submitted pursuant to Article 11 show annual reductions above 1,5% in respect of each year between 2008 and the middle of the period for which free allocation is to be made, the benchmark value shall be adjusted by 1,75%.*

Or. en

#### *Justification*

*The continuous reduction of benchmark values is crucial in order to maintain the innovation signal for all actors throughout phase IV. This will be key to avoid the application of the Cross-Sectoral Correction Factor in phase IV. Resting on the principle of more precise and fair allocation, two new adjustment values are introduced: 0.25% for sectors with limited possibilities to further reduce emissions; and 1.75% for sectors with greater potential to reduce further emissions. This better differentiates between sectors with low and high potential for further emission reductions.*

**Amendment 338**  
**Christofer Fjellner**

**Proposal for a directive**  
**Article 1 – point 5 – point b**  
Directive 2003/87/EC  
Article 10a – paragraph 2 – subparagraph 3 – point i

*Text proposed by the Commission*

(i) On the basis of information submitted pursuant to Article 11, the Commission shall identify whether the values for each benchmark calculated using the principles in Article 10a differ from the annual reduction referred to above by more than 0.5% of the **2007-8** value higher or lower annually. If so, that benchmark value shall be adjusted either 0.5% or 1.5% in respect of each year between **2008** and the middle of the period for which free allocation is to be made;

*Amendment*

***Benchmarks in individual sectors and subsectors shall be updated based on the average of the verified emissions of the top 10 % most efficient installations of the sector or subsector in the Union during 2017 and 2018. Benchmarks shall be set on the basis of information submitted pursuant to Article 11. The benchmark values shall be adjusted by 1% in respect of each year between the latest reference period and the middle of the relevant period of free allocation.*** The Commission shall identify whether the values for each benchmark calculated using the principles in Article 10a differ from the annual reduction referred to above by more than 0.5% of the **updated** value higher or lower annually. If so, that benchmark value shall be adjusted either 0.5% or 1.5% in respect of each year between **the update** and the middle of the period for which free allocation is to be made. ***For sectors with unavoidable process emissions and where real production and efficiency data using best available technology proves that emissions cannot be lowered the benchmark shall not be adjusted;***

Or. en

**Amendment 339**

**Julie Girling**

**Proposal for a directive**

**Article 1 – point 5 – point b**

Directive 2003/87/EC

Article 10a – paragraph 2 – subparagraph 3 – point i

*Text proposed by the Commission*

(i) On the basis of information submitted pursuant to Article 11, the Commission shall identify whether the values for each benchmark calculated using

*Amendment*

(i) On the basis of information submitted pursuant to Article 11, the Commission shall identify whether the values for each benchmark calculated using

the principles in Article 10a differ from the annual reduction referred to above by more than 0.5% of the 2007-8 value higher or lower annually. If so, that benchmark value shall be adjusted either 0.5% or 1.5% in respect of each year between 2008 and the middle of the period for which free allocation is to be made;

the principles in Article 10a differ from the annual reduction referred to above by more than 0.5% of the 2007-8 value higher or lower annually. If so, that benchmark value shall be adjusted either 0.5% or 1.5% in respect of each year between 2008 and the middle of the period for which free allocation is to be made. ***For sectors with verified unavoidable process emissions and where real production data shows annual reduction below 0,2% annually, the benchmark value shall be adjusted by 0,2%;***

Or. en

### *Justification*

*The Commission applies an arbitrary 0.05% benchmark adjustment differentiation which is not sufficiently scientific nor technically supported. For some sectors, the annual/potential improvements of the benchmarks are very low or non-existent due to technical limits such as the existence of unavoidable process emissions. Ensuring achievable targets and efforts for the ETS system is an integral part of any fair system. It is crucial not to punish sectors that have already achieved emission levels close to their absolute and defined minimum.*

## **Amendment 340** **Marijana Petir**

**Proposal for a directive**  
**Article 1 – point 5 – point b**  
Directive 2003/87/EC  
Article 10a – paragraph 2 – subparagraph 3 – point i

### *Text proposed by the Commission*

(i) On the basis of information submitted pursuant to Article 11, the Commission shall identify whether the values for each benchmark calculated using the principles in Article 10a differ from the annual reduction referred to above by more than 0.5% of the 2007-8 value higher or lower annually. If so, that benchmark value shall be adjusted either 0.5% or 1.5% in respect of each year between 2008 and the middle of the period for which free

### *Amendment*

(i) On the basis of information submitted pursuant to Article 11, the Commission shall identify whether the values for each benchmark calculated using the principles in Article 10a differ from the annual reduction referred to above by more than 0.5% of the 2007-8 value higher or lower annually. If so, that benchmark value shall be adjusted either 0.5% or 1.5% in respect of each year between 2008 and the middle of the period for which free

allocation is to be made;

allocation is to be made; *for sectors with unavoidable process emissions and where real production data shows annual reduction below 0,2% annually, then no adjustment shall apply;*

Or. en

#### *Justification*

*For some sectors, the annual/potential improvements of the benchmarks are very low to non-existent due to technical limits. Whereas ETS is intended to trigger industry's efforts to improve GHG emissions, once a technically unavoidable emission level is reached, such incentive becomes impossible. Assuring achievable targets and efforts for the ETS system is an integral part of any fair system, not punishing sectors who have already achieved emission levels close to their absolute, defined minimum.*

#### **Amendment 341**

**Jens Gieseke, Peter Jahr**

#### **Proposal for a directive**

#### **Article 1 – point 5 – point b**

Directive 2003/87/EC

Article 10a – paragraph 2 – subparagraph 3 – point i

#### *Text proposed by the Commission*

(i) On the basis of information submitted pursuant to Article 11, the Commission shall identify whether the values for each benchmark calculated using the principles in Article 10a differ from the annual reduction referred to above by more than 0.5% of the 2007-8 value higher or lower annually. If so, that benchmark value shall be adjusted either 0.5% or 1.5% in respect of each year between 2008 and the middle of the period for which free allocation is to be made;

#### *Amendment*

On the basis of information submitted pursuant to Article 11, the Commission shall identify whether the values for each benchmark calculated using the principles in Article 10a differ from the annual reduction referred to above by more than 0.5% of the 2007-8 value higher or lower annually. If so, that benchmark value shall be adjusted either **0%**, 0.5% or 1.5% in respect of each year between 2008 and the middle of the period for which free allocation is to be made;

Or. en

#### *Justification*

*Should a data analysis show that no efficiency gain was achieved as compared with the old*

*benchmark, the old benchmark should continue to apply without any modification: Therefore, a 0% adjustment-step should be introduced.*

**Amendment 342**

**Pilar Ayuso**

**Proposal for a directive**

**Article 1 – point 5 – point b**

Directive 2003/87/EC

Article 10a – paragraph 2 – subparagraph 3 – point i a (new)

*Text proposed by the Commission*

*Amendment*

*The determination and update of benchmarks shall take into account chemical, physical and technical limits for emission reduction of non-combustion source streams and process emissions from raw materials.*

Or. en

**Amendment 343**

**Andrzej Grzyb, Andrey Kovatchev, Miroslav Mikolášik**

**Proposal for a directive**

**Article 1 – point 5 – point b**

Directive 2003/87/EC

Article 10a – paragraph 2 – subparagraph 3 – point i a (new)

*Text proposed by the Commission*

*Amendment*

*(ia) By way of derogation the total amount of CO<sub>2</sub> from waste gases used for electricity production shall be taken into consideration when calculating the benchmarks.*

Or. en

**Amendment 344**

**Andrzej Grzyb, Andrey Kovatchev, Miroslav Mikolášik**



**Proposal for a directive**

**Article 1 – point 5 – point b**

Directive 2003/87/EC

Article 10a – paragraph 2 – subparagraph 3 – point i b (new)

*Text proposed by the Commission*

*Amendment*

*'(ib) By way of derogation, products with a share of more than 30% of emissions considered to be unavoidable process emissions, shall be granted 100% free allowances for that type of emissions;'*

Or. en

**Amendment 345**

**Pilar Ayuso**

**Proposal for a directive**

**Article 1 – point 5 – point b**

Directive 2003/87/EC

Article 10a – paragraph 2 – subparagraph 3 – point i a (new)

*Text proposed by the Commission*

*Amendment*

*The heat benchmark values shall be defined in accordance with Directive 2012/27/EU on Energy Efficiency and its implementing acts.*

Or. en

**Amendment 346**

**Claudiu Ciprian Tănăsescu, Daciana Octavia Sârbu**

**Proposal for a directive**

**Article 1 – point 5 – point b**

Directive 2003/87/EC

Article 10a – paragraph 2 – subparagraph 3 – point ii

*Text proposed by the Commission*

*Amendment*

*(ii) By way of derogation regarding the benchmark values for aromatics,*

*deleted*

*hydrogen and syngas, these benchmark values shall be adjusted by the same percentage as the refineries benchmarks in order to preserve a level playing field for producers of these products.*

Or. en

**Amendment 347**

**Jadwiga Wiśniewska, Bolesław G. Piecha**

**Proposal for a directive**

**Article 1 – point 5 – point b**

Directive 2003/87/EC

Article 10a – paragraph 2 – subparagraph 3 – point ii

*Text proposed by the Commission*

*Amendment*

(ii) *By way of derogation regarding the benchmark values for aromatics, hydrogen and syngas, these benchmark values shall be adjusted by the same percentage as the refineries benchmarks in order to preserve a level playing field for producers of these products.* *deleted*

Or. pl

**Amendment 348**

**Renate Sommer, Gesine Meissner, Alexander Graf Lambsdorff, Ulrike Müller**

**Proposal for a directive**

**Article 1 – point 5 – point b**

Directive 2003/87/EC

Article 10a – paragraph 2 – subparagraph 3 – point ii

*Text proposed by the Commission*

*Amendment*

(ii) *By way of derogation regarding the benchmark values for aromatics, hydrogen and syngas, these benchmark values shall be adjusted by the same percentage as the refineries benchmarks in order to preserve a level playing field for producers of these products.* *deleted*

**Amendment 349**

**Ivo Belet, Pilar Ayuso, Francesc Gambús, Peter Liese, Annie Schreijer-Pierik, Alojz Peterle**

**Proposal for a directive****Article 1 – point 5 – point b**

Directive 2003/87/EC

Article 10a – paragraph 2 – subparagraph 3 – point ii

*Text proposed by the Commission*

(ii) By way of derogation regarding the benchmark values for aromatics, hydrogen and syngas, these benchmark values shall be adjusted by the same percentage as the refineries benchmarks in order to preserve a level playing field for producers of these products.

*Amendment*

***During the trading period, the benchmark values set under point (i) shall be reduced by 1% in respect of each year between the latest reference period and the middle of the relevant period of free allocation, unless the values for each benchmark calculated using the principle laid down in this Article differ from the annual reduction referred to above by more than 0.5% of the updated value, be it above or below that figure, annually. Where there is such a difference, that benchmark value shall be adjusted either 0.5% or 1.5% in respect of each year between the update and the middle of the period for which free allocation is to be made.***

***Where the data submitted pursuant to Article 11 show annual reductions below 0.3% in respect of each year between the latest reference period and the middle of the period for which free allocation is to be made, the benchmark value shall not be reduced.***

***For every subsequent period, the latest benchmark value shall be used as a reference point for calculating the new reduction value.***

By way of derogation regarding the benchmark values for aromatics, hydrogen and syngas, these benchmark values shall be adjusted by the same percentage as the refineries benchmarks in order to preserve a level playing field for producers of these

products.

Or. en

*Justification*

*Sectors with process emission have a limited ability to further improve efficiency. This should be accounted for when updating the benchmark values.*

**Amendment 350**  
**Marian-Jean Marinescu**

**Proposal for a directive**  
**Article 1 – point 5 – point b**  
Directive 2003/87/EC  
Article 10a – paragraph 2 – subparagraph 3 – point ii

*Text proposed by the Commission*

(ii) *By way of derogation regarding the benchmark values for aromatics, hydrogen and syngas, these benchmark values shall be adjusted by the same percentage as the refineries benchmarks in order to preserve a level playing field for producers of these products.*

*Amendment*

*Free allocation shall only be given to sectors and subsectors for which data is provided, collected and used according to a harmonised methodology within the Union institutions and Member States in order to ensure that the data used to calculate achievement of sector benchmarks and free allocation is accurate.*

Or. en

**Amendment 351**  
**Matteo Salvini**

**Proposal for a directive**  
**Article 1 – point 5 – point b**  
Directive 2003/87/EC  
Article 10a – paragraph 2 – subparagraph 3 – point ii a (new)

*Text proposed by the Commission*

*(iia) Applicants demonstrate that even the most efficient installations of a sector or sub-sector may face undue carbon*

*Amendment*

*costs, because, even when applied to their real production, the amount of allowances of which a specific benchmark value permits the allocation, does not meet their needs. If so, that benchmark value shall be adjusted to meet the needs of the most efficient installations of a sector or sub-sector concerned, but not by more than 20%.*

Or. en

### **Amendment 352**

**Soledad Cabezón Ruiz, José Blanco López**

#### **Proposal for a directive**

#### **Article 1 – point 5 – point b**

Directive 2003/87/EC

Article 10a – paragraph 2 – subparagraph 3 – point ii a (new)

*Text proposed by the Commission*

*Amendment*

*(ii) Subject to paragraphs 4 and 8, and notwithstanding Article 10c, no free allocation shall be given to electricity generators, to installations for the capture of CO<sub>2</sub>, to pipelines for transport of CO<sub>2</sub> or to CO<sub>2</sub> storage sites, except for electricity produced from waste gases where the total amount of CO<sub>2</sub> shall be included in the free allocation.*

Or. en

### **Amendment 353**

**Bas Eickhout**

#### **Proposal for a directive**

#### **Article 1 – point 5 – point b**

Directive 2003/87/EC

Article 10a – paragraph 2 – subparagraph 3 – point ii a (new)

*Text proposed by the Commission*

*Amendment*

*(ii) By way of derogation regarding*

*the benchmark values for grey cement clinker and white cement clinker, those benchmark values shall be replaced by a product benchmark for cement based on the clinker to cement ratio in the period between 2007 and 2008 and adjusted by the applicable percentage in accordance with this paragraph.*

Or. en

*Justification*

*The current input benchmarks for grey and white cement clinker infringe the provisions in Article 10a (1) stating that for each sector “the benchmark shall be calculated for products rather than for inputs, in order to maximise greenhouse gas emission reductions and energy efficiency savings throughout each production process of the sector”. The current benchmarks are against the aims of the directive as they provide incentives to increase emissions instead of for low-carbon substitutes.*

**Amendment 354**

**Jadwiga Wiśniewska, Bolesław G. Piecha**

**Proposal for a directive**

**Article 1 – point 5 – point b**

Directive 2003/87/EC

Article 10a – paragraph 2 – point ii a (new)

*Text proposed by the Commission*

*Amendment*

*By way of derogation regarding the benchmark values for aromatics, hydrogen and syngas, these values shall be adjusted to the refineries' benchmarks in order to preserve a level playing field for producers of these products.*

Or. pl

*Justification*

*This text is moved to another location and adapted to make the benchmarks more realistic.*

**Amendment 355**

**Michel Dantin, Françoise Grossetête, Angélique Delahaye**

**Proposal for a directive**

**Article 1 – point 5 – point b**

Directive 2003/87/EC

Article 10a – paragraph 2 – subparagraph 3 – point ii a (new)

*Text proposed by the Commission*

*Amendment*

*By way of derogation regarding the heat and fuel benchmark values, those benchmark values shall be determined on the basis of natural gas and harmonised reference efficiency values for separate production of heat as laid down in Directive 2012/27/EU on energy efficiency.*

Or. en

**Amendment 356**

**Marijana Petir**

**Proposal for a directive**

**Article 1 – point 5 – point b**

Directive 2003/87/EC

Article 10a – paragraph 2 – subparagraph 3 – point ii a (new)

*Text proposed by the Commission*

*Amendment*

*(iia) By way of derogation, products with a share of more than 30% of emissions considered as unavoidable process emissions shall always be granted full free allowances at least for the part of that type of emissions.*

Or. en

*Justification*

*ETS should not be a burden on EU production. The idea of ETS is to incentive emission reduction efforts but should not punish production where emissions are unavoidable and therefore cannot be reduced.*

**Amendment 357**

**Julie Girling**

**Proposal for a directive**

**Article 1 – point 5 – point b**

Directive 2003/87/EC

Article 10a – paragraph 2 – subparagraph 3 – point ii a (new)

*Text proposed by the Commission*

*Amendment*

*(iia) By way of derogation, products with a share of more than 30% of verified emissions considered as unavoidable process emissions, shall always be granted full free allowances at least for the part of that type of emissions.*

Or. en

*Justification*

*The ETS should not be a burden on EU production. The ETS should incentivise emission reduction efforts. It is crucial not to punish production, where emissions are unavoidable and therefore are impossible to reduce.*

**Amendment 358**

**Ivo Belet, Francesc Gambús, Annie Schreijer-Pierik, Alojz Peterle**

**Proposal for a directive**

**Article 1 – point 5 – point b**

Directive 2003/87/EC

Article 10a – paragraph 2 – subparagraph 3 – point ii a (new)

*Text proposed by the Commission*

*Amendment*

*The adjustment of the benchmarks for heat, fuel and process emissions shall be based on energy efficiency improvements and shall take into account the availability of resources on a Union-wide scale.*

Or. en



**Amendment 359**

**Andrzej Grzyb, Andrey Kovatchev, Miroslav Mikolášik**

**Proposal for a directive**

**Article 1 – point 5 – point b**

Directive 2003/87/EC

Article 10a – paragraph 2 – subparagraph 3 – point ii a (new)

*Text proposed by the Commission*

*Amendment*

***(ii) By way of derogation, district heating shall be excluded from the adjustment.***

Or. en

**Amendment 360**

**Jo Leinen**

**Proposal for a directive**

**Article 1 – point 5 – point b**

Directive 2003/87/EC

Article 10a – paragraph 2 – subparagraph 3 – point ii a (new)

*Text proposed by the Commission*

*Amendment*

***(ii) By way of derogation regarding the benchmark values for grey cement clinker and white cement clinker, these benchmark values shall be replaced by a product benchmark for cement based on the clinker to cement ratio in 2007-2008 and adjusted by the applicable percentage in accordance with this paragraph.***

Or. en

**Amendment 361**

**Jadwiga Wiśniewska, Bolesław G. Piecha**

**Proposal for a directive**

**Article 1 – point 5 – point b**

Directive 2003/87/EC  
Article 10a – paragraph 2 – subparagraph 3 a (new)

*Text proposed by the Commission*

*Amendment*

***When developing the ex-ante benchmarks, the Commission shall consult the relevant stakeholders, including the sectors and subsectors concerned. To this end, it shall carry out an in-depth impact assessment that takes technological advances, utilisation of waste gases, economic conditions and availability of energy sources into account. The data used in the process of setting the ex-ante benchmarks shall be representative of individual sectors or subsectors, transparent and easily accessible.***

Or. pl

*Justification*

*The data produced should correspond as much as possible to the realities of individual sectors and subsectors, taking account of the different conditions in different geographical locations. It should also take environmentally beneficial solutions, i.e. utilisation of waste gases in the subsequent production process, into account. The process must be fully transparent.*

**Amendment 362**  
**Jens Gieseke, Birgit Collin-Langen**

**Proposal for a directive**  
**Article 1 – point 5 – point b**  
Directive 2003/87/EC  
Article 10 – paragraph 2 – subparagraph 3 a (new)

*Text proposed by the Commission*

*Amendment*

***The conclusions from data collection and the potential adjustment of benchmarks shall to be derived from the evolution in the average performance of the 10% most efficient installations in the Union.***

**Amendment 363**  
**Kateřina Konečná**

**Proposal for a directive**  
**Article 1 – point 5 – point b a (new)**  
Directive 2003/87/EC  
Article 10a – paragraph 3

*Present text*

'3. Subject to paragraphs 4 and 8, and notwithstanding Article 10c, no free allocation shall be given to electricity generators, to installations for the capture of CO<sub>2</sub>, to pipelines for transport of CO<sub>2</sub> or to CO<sub>2</sub> storage sites.'

*Amendment*

***(ba) paragraph 3 is replaced by the following:***

'3. Subject to paragraphs 4 and 8, and notwithstanding Article 10c, no free allocation shall be given to electricity generators, to installations for the capture of CO<sub>2</sub>, to pipelines for transport of CO<sub>2</sub> or to CO<sub>2</sub> storage sites, ***except for electricity produced from waste gases where the whole amount of CO<sub>2</sub> shall be included into free allocation.***'

Or. en

*Justification*

*The whole amount of waste gases used for electricity production should be considered when benchmarks are calculated, in line with the Article 10a1 (second sub-paragraph). This is not being done now - one of the main reasons that for example no steel plant in the world can reach the benchmark set. Even the best steel plant is about 9% short of allowances to start with. Therefore it should also be specified explicitly that, also if steel production waste gases are sent to electricity production, the whole amount of CO<sub>2</sub> shall be included into free allocation.*

**Amendment 364**  
**Renate Sommer, Alexander Graf Lambsdorff, Gesine Meissner, Ulrike Müller**

**Proposal for a directive**  
**Article 1 – point 5 – point b a (new)**  
Directive 2003/87/EC  
Article 10a – paragraph 3

*Present text*

'3. Subject to paragraphs 4 and 8, and notwithstanding Article 10c, no free allocation shall be given to electricity generators, to installations for the capture of CO<sub>2</sub>, to pipelines for transport of CO<sub>2</sub> or to CO<sub>2</sub> storage sites.'

*Amendment*

**(ba) In Article 10a, paragraph 3 is replaced by the following:**

'3. Subject to paragraphs 4 and 8, and notwithstanding Article 10c, no free allocation shall be given to electricity generators, to installations for the capture of CO<sub>2</sub>, to pipelines for transport of CO<sub>2</sub> or to CO<sub>2</sub> storage sites; **electricity generators producing electricity from waste gas are not electricity generators within the meaning of Article 3(u) of this Directive.**'

Or. de

*Justification*

*Under the second sentence of the third subparagraph of Article 10a(1) of the Emissions Trading Directive, account must be taken of the total carbon content of waste gas used for electricity production when benchmarks are determined. Completely free allocation for electricity generation from waste gas is necessary because production of waste gas is unavoidable and its use is required under pollution control provisions. No targeted involvement in the electricity market is possible, in addition, as a result of which there can be no distortion of competition.*

**Amendment 365**

**Jadwiga Wiśniewska, Bolesław G. Piecha**

**Proposal for a directive**

**Article 1 – point 5 – point b a (new)**

Directive 2003/87/EC

Article 10a – paragraph 3

*Present text*

'3. Subject to paragraphs 4 and 8, and notwithstanding Article 10c, no free allocation shall be given to electricity generators, to installations for the capture of CO<sub>2</sub>, to pipelines for transport of CO<sub>2</sub>

*Amendment*

**(ba) In Article 10a, paragraph 3 is replaced by the following:**

'3. Subject to paragraphs 4 and 8, and notwithstanding Article 10c, no free allocation shall be given to electricity generators, to installations for the capture of CO<sub>2</sub>, to pipelines for transport of CO<sub>2</sub> or to CO<sub>2</sub> storage sites. **This provision**

or to CO2 storage sites.'

*shall not apply to electrical energy generated from waste gases.'*

Or. pl

*Justification*

*The reuse of waste gases engenders significant environmental benefits, and incentives should exist to encourage such action.*

**Amendment 366**

**Andrzej Grzyb, Andrey Kovatchev, Miroslav Mikolášik**

**Proposal for a directive**

**Article 1 – point 5 – point b a (new)**

Directive 2003/87/EC

Article 10a – paragraph 4

*Present text*

*Amendment*

'4. Free allocation shall be given to district heating as well as to high efficiency cogeneration, as defined by Directive 2004/8/EC, for economically justifiable demand, in respect of the production of heating or cooling. *In each year subsequent to 2013, the total allocation to such installations in respect of the production of that heat shall be adjusted by the linear factor referred to in Article 9.'*

*(ba) paragraph 4 is replaced by the following:*

'4. Free allocation shall be given to district heating as well as to high efficiency cogeneration, as defined by Directive 2004/8/EC, for economically justifiable demand, in respect of the production of heating or cooling.'

Or. en

**Amendment 367**

**Kateřina Konečná**

**Proposal for a directive**

**Article 1 – point 5 – point c**

Directive 2003/87/EC

Article 10a – paragraph 5

***In order to respect the auctioning share set out in Article 10, the sum of free allocations in every year where the sum of free allocations does not reach the maximum level that respects the Member State auctioning share, the remaining allowances up to that level shall be used to prevent or limit reduction of free allocations to respect the Member State auctioning share in later years. Where, nonetheless, the maximum level is reached, free allocations shall be adjusted accordingly. Any such adjustment shall be done in a uniform manner.***

***Where the sum of free allocations in a given year does not reach the maximum level that respects the Member State auctioning share, the remaining allowances up to that level shall be used to prevent or limit the reduction of free allocations in subsequent years. Where, however, the maximum level is reached, an amount of allowances equivalent to a reduction of up to three percentage points of the share of allowances to be auctioned by Member States, pursuant to Article 10(1), shall be distributed free of charge to sectors and sub-sectors pursuant to Article 10b. Where, nonetheless, this reduction is insufficient to meet the demand of sectors or sub-sectors pursuant to Article 10b, free allocations shall be adjusted accordingly by a uniform cross sectoral correction factor. Adjustments of free allocations according to this paragraph shall not apply to allocations according to Article 10c and shall not apply to free allocations adjusted by linear factor referred to in Article 9.***

Or. en

#### *Justification*

*Now the free allocation to CHP heat is cut annually by the LRF of 1.74%, but not by the CSCF. According to the new proposal, it would be cut by both the linear factor of 2.2% and the CSCF. This would put CHP in a disadvantageous position towards heat boilers and it is against energy efficiency as envisaged by the EED. The current proposal already envisages a reduction of free allocation to heat to 30% for both CHP and heat boilers. This additional new wording will help to clarify the situation of CHP under the new regime and help to avoid double regulation. See also justification for AMD 264.*

#### **Amendment 368**

**Elisabetta Gardini, Massimiliano Salini, Antonio Tajani, Giovanni La Via, Adina-Ioana Vălean, Alberto Cirio**

**Proposal for a directive**  
**Article 1 – point 5 – point c**  
Directive 2003/87/EC  
Article 10a – paragraph 5

*Text proposed by the Commission*

*In order to respect the auctioning share set out in Article 10, the sum of free allocations in every year where the sum of free allocations does not reach the maximum level that respects the Member State auctioning share, the remaining allowances up to that level shall be used to prevent or limit reduction of free allocations to respect the Member State auctioning share in later years. Where, nonetheless, the maximum level is reached, free allocations shall be adjusted accordingly. Any such adjustment shall be done in a uniform manner.*

*Amendment*

*The maximum annual amount of allowances that is the basis for calculating allocations to installations which are not covered by paragraph 3 and are not new entrants shall not exceed the sum of:*

*(a) the annual Union-wide total quantity, as determined pursuant to Article 9, multiplied by the share of emissions from installations not covered by paragraph 3 in the total average verified emissions, in the period from 2005 to 2007, from installations covered by the EU ETS in the period from 2008 to 2012; and*

*(b) the total average annual verified emissions from installations in the period from 2005 to 2007 which are only included in the EU ETS from 2013 onwards and are not covered by paragraph 3, adjusted by the linear factor, as referred to in Article 9.*

Or. en

**Amendment 369**

**Jytte Guteland, Matthias Groote, Soledad Cabezón Ruiz, Giorgos Grammatikakis, Seb Dance, José Blanco López, Christel Schaldemose, Nicola Caputo, Gilles Pargneaux**

**Proposal for a directive**  
**Article 1 – point 5 – point c**

*Text proposed by the Commission*

In order to respect the auctioning share set out in Article 10, the sum of free allocations in every year where the sum of free allocations does not reach the maximum level that respects the Member State auctioning share, the remaining allowances up to that level shall be used to prevent or limit reduction of free allocations to respect the Member State auctioning share in later years. Where, nonetheless, the maximum level is reached, free allocations shall be adjusted accordingly. Any such adjustment shall be *done in a uniform manner*.

*Amendment*

In order to respect the auctioning share set out in Article 10, the sum of free allocations in every year where the sum of free allocations does not reach the maximum level that respects the Member State auctioning share, the remaining allowances up to that level shall be used to prevent or limit reduction of free allocations to respect the Member State auctioning share in later years ***until 2030***. Where, nonetheless, the maximum level is reached, free allocations shall be adjusted accordingly. Any such adjustment shall be ***applied so that the 10% most efficient installations, in accordance with paragraph 2, are not impacted. Any allowances not allocated to installations by the end of the trading period shall be cancelled***.

Or. en

*Justification*

*Safeguard for benchmark performers in the event of CSCF application while avoiding unnecessary carry-over of allowances in the case CSCF is not triggered.*

**Amendment 370**  
**Marijana Petir**

**Proposal for a directive**  
**Article 1 – point 5 – point c**  
Directive 2003/87/EC  
Article 10a – paragraph 5

*Text proposed by the Commission*

In order to respect the auctioning share set out in Article 10, the sum of free allocations in every year where the sum of free allocations does not reach the

*Amendment*

In order to respect the auctioning share set out in Article 10, the sum of free allocations in every year where the sum of free allocations does not reach the



maximum level that respects the Member State auctioning share, the remaining allowances up to that level shall be used to prevent or limit reduction of free allocations to respect the Member State auctioning share in later years. Where, nonetheless, the maximum level is reached, free allocations shall be adjusted accordingly. Any such adjustment shall be *done in a uniform manner*.

maximum level that respects the Member State auctioning share, the remaining allowances up to that level shall be used to prevent or limit reduction of free allocations to respect the Member State auctioning share in later years. Where, nonetheless, the maximum level is reached, free allocations shall be adjusted accordingly. Any such adjustment shall be *tiered in accordance with the risk of carbon leakage ensuring that sectors at very high risk of carbon leakage receive 100% free allocation at the level of the benchmark*.

Or. en

**Amendment 371**  
**Julie Girling**

**Proposal for a directive**  
**Article 1 – point 5 – point c**  
Directive 2003/87/EC  
Article 10a – paragraph 5

*Text proposed by the Commission*

In order to respect the auctioning share set out in Article 10, the sum of free allocations in every year where the sum of free allocations does not reach the maximum level that respects the Member State auctioning share, the remaining allowances up to that level shall be used to prevent or limit reduction of free allocations to respect the Member State auctioning share in later years. Where, nonetheless, the maximum level is reached, free allocations shall be adjusted accordingly. Any such adjustment shall be *done in a uniform manner*.

*Amendment*

In order to respect the auctioning share set out in Article 10, the sum of free allocations in every year where the sum of free allocations does not reach the maximum level that respects the Member State auctioning share, the remaining allowances up to that level shall be used to prevent or limit reduction of free allocations to respect the Member State auctioning share in later years. Where, nonetheless, the maximum level is reached, free allocations shall be adjusted accordingly. Any such adjustment shall be *tiered in accordance with the risk of carbon leakage, so as to ensure that those sectors at very high risk receive 100% free allocation at the level of the benchmark*.

Or. en

## *Justification*

*The risk of carbon leakage is still clearly identified for Phase IV and should therefore be taken into account when making any adjustment of the free allowances below the benchmark level. In case a correction factor is needed on adjustment of free allocations, a tiered approach based on exposure is justified. Those sectors most exposed face a much bigger impact than those sectors with lower carbon leakage risks.*

### **Amendment 372**

**Ivo Belet, Pilar Ayuso, Michel Dantin, Francesc Gambús, Elisabetta Gardini, Françoise Grossetête, Krišjānis Kariņš, Elisabeth Köstinger, Giovanni La Via, Peter Liese, Massimiliano Salini, Antonio Tajani, Annie Schreijer-Pierik, Alojz Peterle**

#### **Proposal for a directive**

##### **Article 1 – point 5 – point c**

Directive 2003/87/EC

Article 10a – paragraph 5

#### *Text proposed by the Commission*

In order to respect the auctioning share set out in Article 10, the sum of free allocations in every year where the sum of free allocations does not reach the maximum level that respects the Member State auctioning share, the remaining allowances up to that level shall be used to prevent or limit reduction of free allocations to respect the Member State auctioning share in later years. Where, nonetheless, the maximum level is reached, free allocations shall be adjusted accordingly. Any such adjustment shall be *done in a uniform manner*.

#### *Amendment*

In order to respect the auctioning share set out in Article 10, the sum of free allocations in every year where the sum of free allocations does not reach the maximum level that respects the Member State auctioning share, the remaining allowances up to that level shall be used to prevent or limit reduction of free allocations to respect the Member State auctioning share in later years. Where, nonetheless, the maximum level is reached, free allocations shall be adjusted accordingly. Any such adjustment shall be *targeted in accordance with the risk of carbon leakage and shall in any case guarantee that 100% free allocation up to the level of the benchmarks is maintained*.

Or. en

### **Amendment 373**

**Jens Gieseke**

#### **Proposal for a directive**

##### **Article 1 – point 5 – point c**

*Text proposed by the Commission*

In order to respect the auctioning share set out in Article 10, the sum of free allocations in every year where the sum of free allocations does not reach the maximum level that respects the Member State auctioning share, the remaining allowances up to that level shall be used to prevent or limit reduction of free allocations to respect the Member State auctioning share in later years. Where, nonetheless, the maximum level is reached, free allocations shall be ***adjusted accordingly***. Any such adjustment shall be done in a uniform manner.

*Amendment*

In order to respect the auctioning share set out in Article 10, the sum of free allocations in every year where the sum of free allocations does not reach the maximum level that respects the Member State auctioning share, the remaining allowances up to that level shall be used to prevent or limit reduction of free allocations to respect the Member State auctioning share in later years. Where, nonetheless, the maximum level is reached, free allocations shall be ***complemented to the amount needed by allowances from the amount established according to paragraph 7***. Any such adjustment shall be done in a uniform manner.

Or. en

**Amendment 374**  
**Andrzej Grzyb**

**Proposal for a directive**  
**Article 1 – point 5 – point c**  
Directive 2003/87/EC  
Article 10a – paragraph 5

*Text proposed by the Commission*

In order to respect the auctioning share set out in Article 10, the sum of free allocations in every year where the sum of free allocations does not reach the maximum level that respects the Member State auctioning share, the remaining allowances up to that level shall be used to prevent or limit reduction of free allocations to respect the Member State auctioning share in later years. Where, nonetheless, the maximum level is reached, free allocations shall be adjusted accordingly. Any such adjustment shall be

*Amendment*

In order to respect the auctioning share set out in Article 10, the sum of free allocations in every year where the sum of free allocations does not reach the maximum level that respects the Member State auctioning share, the remaining allowances up to that level shall be used to prevent or limit reduction of free allocations to respect the Member State auctioning share in later years. Where, nonetheless, the maximum level is reached, free allocations shall be adjusted accordingly. Any such adjustment shall be

done in a uniform manner.

done in a uniform manner.

***By way of derogation, sectors and subsectors with unavoidable process emissions, shall be excluded from such adjustment up to the level of allowances covering unavoidable process emissions. Allowances for this purpose shall be released from the MSR.***

Or. en

### **Amendment 375**

**Jadwiga Wiśniewska, Bolesław G. Piecha**

#### **Proposal for a directive**

#### **Article 1 – point 5 – point c**

Directive 2003/87/EC

Article 10a – paragraph 5

#### *Text proposed by the Commission*

In order to respect the auctioning share set out in Article 10, the sum of free allocations in every year where the sum of free allocations does not reach the maximum level that respects the Member State auctioning share, the remaining allowances up to that level shall be used to prevent or limit reduction of free allocations to respect the Member State auctioning share in later years. Where, nonetheless, the maximum level is reached, free allocations shall be adjusted accordingly. Any such adjustment shall be done in a uniform manner.

#### *Amendment*

In order to respect the auctioning share set out in Article 10, the sum of free allocations in every year where the sum of free allocations does not reach the maximum level that respects the Member State auctioning share, the remaining allowances up to that level shall be used to prevent or limit reduction of free allocations to respect the Member State auctioning share in later years. Where, nonetheless, the maximum level is reached ***and the allocations from the reserve referred to in paragraph 7 are used up***, free allocations shall be adjusted accordingly. Any such adjustment shall be done in a uniform manner, ***excluding unavoidable process-related emissions, which are not subject to adjustment.***

Or. pl

#### *Justification*

*Process-related emissions are emissions that cannot be avoided. They should therefore be excluded from the application of the cross-sectoral correction factor, if that is to apply.*

**Amendment 376**

**Matteo Salvini**

**Proposal for a directive**

**Article 1 – point 5 – point c**

Directive 2003/87/EC

Article 10a – paragraph 5

*Text proposed by the Commission*

In order to respect the auctioning share set out in Article 10, the sum of free allocations in every year where the sum of free allocations does not reach the maximum level that respects the Member State auctioning share, the remaining allowances up to that level shall be used to prevent or limit reduction of free allocations to respect the Member State auctioning share in later years. ***Where, nonetheless, the maximum level is reached, free allocations shall be adjusted accordingly. Any such adjustment shall be done in a uniform manner.***

*Amendment*

In order to respect the auctioning share set out in Article 10, the sum of free allocations in every year where the sum of free allocations does not reach the maximum level that respects the Member State auctioning share, the remaining allowances up to that level shall be used to prevent or limit reduction of free allocations to respect the Member State auctioning share in later years.

Or. en

**Amendment 377**

**Matteo Salvini**

**Proposal for a directive**

**Article 1 – point 5 – point d – introductory part**

Directive 2003/87/EC

Article 10a – paragraph 6 – subparagraph 1

*Text proposed by the Commission*

(d) ***the first subparagraph of*** paragraph 6 is replaced by the following:

*Amendment*

(d) paragraph 6 is replaced by the following:

Or. en

## **Amendment 378**

**Bas Eickhout**

### **Proposal for a directive**

#### **Article 1 – point 5 – point d**

Directive 2003/87/EC

Article 10a – paragraph 6 – subparagraph 1

*Text proposed by the Commission*

*Amendment*

*(d) the first subparagraph of paragraph 6 is replaced by the following:* **deleted**

*'Member States should adopt financial measures in favour of sectors or sub-sectors which are exposed to a genuine risk of carbon leakage due to significant indirect costs that are actually incurred from greenhouse gas emission costs passed on in electricity prices, taking into account any effects on the internal market. Such financial measures to compensate part of these costs shall be in accordance with state aid rules.'*

Or. en

#### *Justification*

*State aid for compensating indirect carbon costs is distorting the EU internal energy market and disincentives electro-intensive industry to switch to electricity with lower carbon emissions. Instead, electro-intensive industrial sectors should be able to receive innovation support through mechanisms provided under this Directive to enable efficiency improvements or a switch to sustainable renewables.*

## **Amendment 379**

**Jytte Guteland, Matthias Groote, Daciana Octavia Sârbu, Soledad Cabezón Ruiz, Jo Leinen, Giorgos Grammatikakis, Seb Dance, José Blanco López, Kathleen Van Brempt, Christel Schaldemose, Gilles Pargneaux**

### **Proposal for a directive**

#### **Article 1 – point 5 – point d**

Directive 2003/87/EC

Article 10a – paragraph 6 – subparagraph 1

***Member States should adopt financial measures in favour of*** sectors or sub-sectors which are exposed to a ***genuine*** risk of carbon leakage due to significant ***indirect*** costs ***that are actually incurred from*** greenhouse gas ***emission*** costs passed ***on in*** electricity prices, taking into account ***any effects on the internal market. Such financial measures to compensate part of these*** costs shall be in accordance with state aid ***rules***.

***A centralised arrangement at Union level shall be adopted to compensate*** sectors or sub-sectors which are exposed to a ***significant*** risk of carbon leakage due to significant ***greenhouse gas emission*** costs ***passed through in electricity prices. This harmonised compensation is financed as set out in Article 10 for such costs.***

***Compensation shall be proportionate to*** greenhouse gas ***emission*** costs passed ***through in the*** electricity prices ***and shall be applied in accordance with the criteria in the current state aid guidelines in such a way to avoid both negative effects on the internal market as well as overcompensation of costs incurred, and only when it is certain that there is no possibility for sectors and sub-sectors to in turn pass through those costs to consumers. Compensation shall be allowed to a maximum of 75% of the incurred cost and shall be based on regularly updated emission factors,*** taking into account ***the actual decrease of carbon intensity of the energy mix in the different geographical zones. The amount of consumed electricity eligible for compensation shall be limited to a regularly updated energy efficiency benchmark.***

***Where the amount of compensation as defined in Article 10 is not sufficient to compensate for eligible costs, the amount of aid for all eligible installations is reduced uniformly.***

***The Commission is empowered to adopt a delegated act to supplement this directive for this purpose in accordance with Article 23, fully complying with the criteria laid down in the current guidelines on state aid applicable to the EU ETS.***

**Amendment 380**

**Massimo Paolucci, Renata Briano, Damiano Zoffoli, Simona Bonafè, Elena Gentile, Nicola Caputo, Caterina Chinnici**

**Proposal for a directive**

**Article 1 – point 5 – point d**

Directive 2003/87/CE

Article 10a – paragraph 6 – subparagraph 1

*Text proposed by the Commission*

***Member States should adopt financial measures in favour of sectors or sub-sectors*** which are exposed to a genuine risk of carbon leakage due to significant ***indirect costs that are actually incurred from*** greenhouse gas ***emission*** costs passed on ***in*** electricity prices, ***taking into account any*** effects on the internal market. ***Such financial measures*** to compensate ***part of these costs shall be in accordance with state aid rules.***

*Amendment*

***A centralised arrangement at European level is adopted to compensate installations*** which are exposed to a genuine risk of carbon leakage due to significant ***greenhouse gas emission*** costs ***passed through to electricity prices. This harmonised compensation is financed as set out in Article 10 for such costs.*** ***Compensation shall be proportionate to*** greenhouse gas ***emission*** costs passed on to electricity prices ***and shall be applied in a way to avoid both negative*** effects on the internal market ***and overcompensation.*** ***Where the amount of compensation as defined in Article 10 is not sufficient to compensate for all eligible costs, the amount of aid for all eligible installations shall be reduced uniformly. The Commission is empowered to adopt a delegated act to supplement this directive for this purpose*** in accordance with ***Article 23.***

Or. en

*Justification*

*The current system based on state aid rules is not creating a level playing field, thus a centralized arrangement should be preferred.*

**Amendment 381**

**Elisabetta Gardini, Giovanni La Via, Massimiliano Salini, Alberto Cirio, Antonio Tajani**

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**Proposal for a directive**  
**Article 1 – point 5 – point d**  
Directive 2003/87/EC  
Article 10a – paragraph 6 – subparagraph 1

*Text proposed by the Commission*

*Member States should adopt financial measures in favour of sectors or sub-sectors which are exposed to a genuine risk of carbon leakage due to significant indirect costs that are actually incurred from greenhouse gas emission costs passed on in electricity prices, **taking into account any effects on the internal market. Such financial measures to compensate part of these costs shall be in accordance with state aid rules.***

*Amendment*

*A centralised mechanism at Union level shall be adopted to fully compensate installations which are exposed to a genuine risk of carbon leakage due to significant indirect costs that are actually incurred from greenhouse gas emission costs passed **through to** electricity prices.*

*An appropriate percentage of the total quantity of allowances issued between 2021 and 2030 shall be auctioned to establish a harmonised compensation scheme. In the event that the amount of compensation is insufficient to cover all eligible costs, that amount shall be reduced uniformly.*

*Compensation through the centralised mechanism shall be based on ex-ante benchmarks of the indirect emissions of CO<sub>2</sub> per unit of production. The ex-ante benchmarks shall be calculated for a given sector or subsector as the product of the electricity consumption per unit of production corresponding to the most efficient available technologies and of the CO<sub>2</sub> emissions of the relevant Union electricity production mix.*

Or. en

**Amendment 382**  
**Ivo Belet, Pilar Ayuso, Francesc Gambús, Annie Schreijer-Pierik, Alojz Peterle**

**Proposal for a directive**  
**Article 1 – point 5 – point d**

*Text proposed by the Commission*

***Member States should adopt financial measures*** in favour of sectors or sub-sectors which are exposed to a genuine risk of carbon leakage due to significant indirect costs that are actually incurred from greenhouse gas emission costs passed on in electricity prices, ***taking into account any effects on the internal market***. Such financial measures to compensate part of these costs shall be in accordance with state aid rules.

*Amendment*

***3% of the allowances to be auctioned shall be pooled at Union level for harmonised arrangements to compensate*** sectors or sub-sectors which are exposed to a genuine risk of carbon leakage due to significant indirect costs that are actually incurred from greenhouse gas emission costs passed on in electricity prices.

***The Commission shall adopt an implementing act for this purpose. This implementing act shall be adopted in accordance with the examination procedure referred to in Article 22a.***

***Where the amount of compensation is not sufficient to compensate for all costs, the remaining share may be compensated by Member States.*** Such financial measures to compensate part of these costs shall be in accordance with state aid rules.

Or. en

**Amendment 383**  
**Christofer Fjellner**

**Proposal for a directive**  
**Article 1 – point 5 – point d**  
Directive 2003/87/EC  
Article 10a – paragraph 6 – subparagraph 1

*Text proposed by the Commission*

***Member States should adopt*** financial measures in favour of sectors or sub-sectors which are exposed to a genuine risk of carbon leakage due to significant indirect costs that are actually incurred from greenhouse gas emission costs passed

*Amendment*

Financial measures in favour of sectors or sub-sectors which are exposed to a genuine risk of carbon leakage due to significant indirect costs that are actually incurred from greenhouse gas emission costs passed on in electricity prices ***shall be adopted***,

on in electricity prices, taking into account any effects on the internal market. Such financial measures to compensate part of these costs shall be in accordance with state aid rules.

taking into account any effects on the internal market. Such financial measures to compensate part of these costs shall be ***fully harmonised at the Union level*** in accordance with state aid rules. ***The Commission shall adopt an implementing act for this purpose. This implementing act shall be adopted in accordance with the examination procedure referred to in Article 22a.***

Or. en

#### **Amendment 384**

**Françoise Grossetête, Angélique Delahaye, Michel Dantin**

#### **Proposal for a directive**

#### **Article 1 – point 5 – point d**

Directive 2003/87/EC

Article 10a – paragraph 6 – subparagraph 1

*Text proposed by the Commission*

***Member States should adopt financial measures in favour of*** sectors or sub-sectors which are exposed to a genuine risk of carbon leakage due to significant indirect costs that are ***actually*** incurred from greenhouse gas emission costs passed on in electricity prices, ***taking into account any effects on the internal market. Such financial measures to compensate part of these costs shall be*** in accordance with ***state aid rules.***

*Amendment*

***Installations in*** sectors or sub-sectors which are exposed to a genuine risk of carbon leakage due to significant indirect costs that are incurred from greenhouse gas emission costs passed on in electricity prices ***shall receive harmonised financial compensation for such costs as set out in Article 10. The compensation shall be applied in a manner that prevents negative effects on the internal market and overcompensation. The Commission is empowered to adopt a delegated act to supplement this directive for this purpose*** in accordance with ***Article 23.***

Or. en

#### *Justification*

*The current situation creates distortions regarding indirect costs on the internal and international markets. A more systematic and harmonized indirect costs compensation scheme need to be centralized. One should set up a withholding of auction revenues that would compensate a harmonized amount of financial aid to all eligible industrials in the*

**Amendment 385**

**Marian-Jean Marinescu**

**Proposal for a directive**

**Article 1 – point 5 – point d**

Directive 2003/87/EC

Article 10a – paragraph 6 – subparagraph 1

*Text proposed by the Commission*

***Member States should adopt financial measures in favour of*** sectors or sub-sectors which are exposed to a ***genuine*** risk of carbon leakage due to ***significant*** indirect costs that are ***actually*** incurred from greenhouse gas emission costs passed on in electricity prices, ***taking into account any effects on the internal market***. Such financial measures ***to compensate part of these costs shall be in accordance with state aid rules***.

*Amendment*

Sectors or sub-sectors which are exposed to a ***significant*** risk of carbon leakage due to indirect costs that are incurred from greenhouse gas emission costs passed on in electricity prices ***shall receive financial compensation as set out in Article 10***. Such financial measures ***shall compensate indirect costs up to the level of the ex-ante benchmarks of the indirect emissions of CO<sub>2</sub> per unit of production as laid down in Annex III (new)***.

***Where the amount of compensation is not sufficient to compensate all eligible costs, the remaining share may be compensated by Member States.***

***By [6 months after the date of entry into force of this directive], the Commission shall adopt the implementing acts to establish the common compensation rules for the use of X% of the auctioned allowances in line with Article 10, to set ex-ante benchmarks and to define the list of eligible sectors and the regional CO<sub>2</sub> emission factors, as per the criteria laid out in Annex III (new). This implementing act shall be adopted in accordance with the examination procedure referred to in Article 22a.***

Or. en

## Amendment 386

Jens Gieseke, Ulrike Müller, Gesine Meissner, Peter Jahr

### Proposal for a directive

#### Article 1 – point 5 – point d

Directive 2003/87/EC

Article 10a – paragraph 6 – subparagraph 1

#### *Text proposed by the Commission*

Member States *should* adopt financial measures in favour of sectors or sub-sectors which are exposed to a genuine risk of carbon leakage due to significant indirect costs that are actually incurred from greenhouse gas emission costs passed on in electricity prices, taking into account any effects on the internal market. Such financial measures to compensate *part of* these costs shall be in accordance with state aid rules.

#### *Amendment*

Member States *shall* adopt financial measures in favour of sectors or sub-sectors which are exposed to a genuine risk of carbon leakage due to significant indirect costs that are actually incurred from greenhouse gas emission costs passed on in electricity prices, taking into account any effects on the internal market. Such financial measures to compensate these costs shall be in accordance with state aid rules. *The compensation shall ensure that costs incurred shall be fully reimbursed.*

Or. en

## Amendment 387

Jadwiga Wiśniewska, Bolesław G. Piecha

### Proposal for a directive

#### Article 1 – point 5 – point d

Directive 2003/87/EC

Article 10a – paragraph 6 – subparagraph 1

#### *Text proposed by the Commission*

Member States *should* adopt financial measures in favour of sectors or sub-sectors which are exposed to a genuine risk of carbon leakage due to significant indirect costs that are actually incurred from greenhouse gas emission costs passed on in electricity prices, taking into account any effects on the internal market. Such financial measures to compensate *part of* these costs shall be in accordance with state aid rules.

#### *Amendment*

Member States *may* adopt financial measures in favour of sectors or sub-sectors which are exposed to a genuine risk of carbon leakage due to significant indirect costs that are actually incurred from greenhouse gas emission costs passed on in electricity prices, taking into account any effects on the internal market. Such financial measures to compensate *at most 10 %* of these costs shall be in accordance with state aid rules.

*Justification*

*The decision on refunding indirect costs should be left to the Member State. However, in order to ensure market equilibrium, the maximum ceiling up to which such compensation can be paid by the Member States should be harmonised.*

**Amendment 388**  
**Francesc Gambús**

**Proposal for a directive**

**Article 1 – point 5 – point d**

Directive 2003/87/EC

Article 10a – paragraph 6 – subparagraph 1

*Text proposed by the Commission*

Member States *should* adopt financial measures in favour of sectors or sub-sectors which are exposed to a genuine risk of carbon leakage due to significant indirect costs that are actually incurred from greenhouse gas emission costs passed on in electricity prices, taking into account any effects on the internal market. Such financial measures to compensate part of these costs shall be in accordance with state aid rules.

*Amendment*

Member States *shall* adopt financial measures in favour of sectors or sub-sectors which are exposed to a genuine risk of carbon leakage due to significant indirect costs that are actually incurred from greenhouse gas emission costs passed on in electricity prices, taking into account any effects on the internal market. Such financial measures to compensate part of these costs shall be in accordance with state aid rules.

Or. en

*Justification*

*The treatment of indirect costs should be harmonized to avoid distortions.*

**Amendment 389**  
**Matteo Salvini**

**Proposal for a directive**

**Article 1 – point 5 – point d**

Directive 2003/87/EC

Article 10a – paragraph 6 – subparagraph 1

*Text proposed by the Commission*

*Amendment*

Member States **should** adopt financial measures in favour of sectors or sub-sectors which are exposed to a genuine risk of carbon leakage due to significant **indirect costs that are actually incurred from** greenhouse gas emission costs passed **on in** electricity prices, **taking into account any effects on the internal market**. Such financial measures to compensate **part of these** costs **shall be in accordance with state aid rules**.

Member States **shall** adopt financial measures in favour of sectors or sub-sectors **or individual installations** which are exposed to a genuine risk of carbon leakage due to significant greenhouse gas emission costs passed **through to** electricity prices, **in a technology-neutral manner**. **State aid rules and the Stability and Growth Pact shall not apply to** such financial measures to compensate **100%** of **those** costs.

Or. en

**Amendment 390**

**Eleonora Evi, Piernicola Pedicini, Marco Affronte, Dario Tamburrano**

**Proposal for a directive**

**Article 1 – point 5 – point e – point i**

Directive 2003/87/EC

Article 10a – paragraph 7 – subparagraph 1

*Text proposed by the Commission*

*Amendment*

**Allowances from the maximum amount referred to Article 10a(5) of this Directive which were not allocated for free up to 2020** shall be set aside for new entrants and significant production increases, **together with 250 million allowances placed in the market stability reserve pursuant to Article 1(3) of Decision (EU) 2015/... of the European Parliament and of the Council(\*)**.

**4% of the Union-wide quantity of allowances determined in accordance with Articles 9 and 9a over the period from 2021 to 2030** shall be set aside for new entrants and significant production increases.

Or. en

*Justification*

*This measure ensures that around 600 million allowances from the phase 4 cap are set-aside to make available allowances for new entrants or significant production increases. Under the current Commission proposal, surplus allowances from the current period will be used for the new entrants' reserve. These allowances are now transferred into the Market Stability*

Reserve.

### **Amendment 391**

**Eleonora Evi, Dario Tamburrano, Piernicola Pedicini, Marco Affronte**

#### **Proposal for a directive**

**Article 1 – point 5 – point e – point i**

Directive 2003/87/EC

Article 10a – paragraph 7 – subparagraph 1

*Text proposed by the Commission*

*Allowances from the maximum amount referred to Article 10a(5) of this Directive which were not allocated for free up to 2020 shall be set aside for new entrants and significant production increases, together with 250 million allowances placed in the market stability reserve pursuant to Article 1(3) of Decision (EU) 2015/... of the European Parliament and of the Council(\*).*

*Amendment*

*3% of the Union-wide quantity of allowances determined in accordance with Article 9 and Article 9a, over the period 2021-2030 shall be set aside for new entrants.*

Or. en

### **Amendment 392**

**Gerben-Jan Gerbrandy**

#### **Proposal for a directive**

**Article 1 – point 5 – point e – point i**

Directive 2003/87/EC

Article 10a – paragraph 7 – subparagraph 1

*Text proposed by the Commission*

*Allowances from the maximum amount referred to Article 10a(5) of this Directive which were not allocated for free up to 2020 shall be set aside for new entrants and significant production increases, together with 250 million allowances placed in the market stability reserve pursuant to Article 1(3) of Decision (EU) 2015/... of the European Parliament and of the Council(\*).*

*Amendment*

*3% of the Union-wide quantity of allowances issued in accordance with Articles 9 and 9a over the period from 2021 to 2030 shall be set aside for new entrants and significant production increases.*



*Justification*

*The reserve for new entrants and significant production must be increased, while maintaining the correct functioning of the market stability reserve. 3% of the phase 4 cap corresponds to approximately 465 million allowances, while the Commission proposes a new entrants reserve of approximately 400 million allowances.*

**Amendment 393****Bas Eickhout****Proposal for a directive****Article 1 – point 5 – point e – point i**

Directive 2003/87/EC

Article 10a – paragraph 7 – subparagraph 1

*Text proposed by the Commission*

*Allowances from the maximum amount referred to Article 10a(5) of this Directive which were not allocated for free up to 2020 shall be set aside for new entrants and significant production increases, together with 250 million allowances placed in the market stability reserve pursuant to Article 1(3) of Decision (EU) 2015/... of the European Parliament and of the Council(\*).*

*Amendment*

*3 % of the Union-wide quantity of allowances determined in accordance with Articles 9 and 9a during the period 2021 to 2030 shall be set aside for new entrants and significant production increases.*

*Justification*

*Phase 4 new entrants reserve should come from the phase 4 cap. 3% corresponds to approximately 465 million allowances.*

**Amendment 394**

**Jytte Guteland, Matthias Groote, Soledad Cabezón Ruiz, Jo Leinen, Giorgos Grammatikakis, Seb Dance, José Blanco López, Massimo Paolucci, Damiano Zoffoli, Renata Briano, Elena Gentile, Christel Schaldemose, Nicola Caputo, Gilles Pargneaux**

**Proposal for a directive****Article 1 – point 5 – point e – point i**

Directive 2003/87/EC  
Article 10a – paragraph 7 – subparagraph 1

*Text proposed by the Commission*

**Allowances from the maximum amount referred to Article 10a(5) of this Directive which were not allocated for free up to 2020 shall be set aside for new entrants and significant production increases, *together with 250 million allowances placed in the market stability reserve pursuant to Article 1(3) of Decision (EU) 2015/... of the European Parliament and of the Council*(\*).**

*Amendment*

**3% of the Union-wide quantity of allowances determined in accordance with Articles 9 and 9a over the period from 2021 to 2030 shall be set aside for new entrants and significant production increases.**

Or. en

*Justification*

*Avoids funding the NER through MSR and left-over EUAs from phase III, thus protecting MSR integrity and avoiding carry-over from unallocated credits from phase III.*

#### **Amendment 395**

**Ivo Belet, Pilar Ayuso, Francesc Gambús, Elisabetta Gardini, Krišjānis Kariņš, Giovanni La Via, Peter Liese, Massimiliano Salini, Antonio Tajani, Annie Schreijer-Pierik, Alojz Peterle**

#### **Proposal for a directive**

#### **Article 1 – point 5 – point e – point i**

Directive 2003/87/EC

Article 10a – paragraph 7 – subparagraph 1

*Text proposed by the Commission*

Allowances from the maximum amount referred to Article 10a(5) of this Directive which were not allocated for free up to 2020 shall be set aside for new entrants and significant production increases, ***together with*** 250 million allowances placed in the market stability reserve pursuant to Article 1(3) of Decision (EU) 2015/... ***of the European Parliament and of the Council***(\*).

*Amendment*

Allowances from the maximum amount referred to ***in*** Article 10a(5) of this Directive which were not allocated for free up to 2020 shall be set aside for new entrants and ***for*** significant production increases ***of more than 10% expressed as the rolling average of verified production data for the two preceding years compared to the production activity reported in accordance with Article 11. In addition,*** 250 million allowances placed in

the market stability reserve pursuant to Article 1(3) of Decision (EU) **2015/1814** shall be set aside for this purpose.

Or. en

### **Amendment 396**

**Jadwiga Wiśniewska, Boleslaw G. Piecha**

#### **Proposal for a directive**

**Article 1 – point 5 – point e – point i**

Directive 2003/87/EC

Article 10a – paragraph 7 – subparagraph 1

#### *Text proposed by the Commission*

Allowances from the maximum amount referred to Article 10a(5) of this Directive which were not allocated for free up to 2020 shall be set aside for new entrants **and** significant production increases, together with 250 million allowances placed in the market stability reserve pursuant to Article 1(3) of Decision (EU) **2015/...** of the European Parliament and of the Council(\*).

#### *Amendment*

Allowances from the maximum amount referred to Article 10a(5) of this Directive which were not allocated for free up to 2020 shall be set aside for new entrants, significant production increases **and the prevention or reduction of shortages of free allowances pursuant to Article 10(a)(5)**, together with 250 million allowances placed in the market stability reserve **before 2021** pursuant to Article 1(3) of Decision (EU) **2015/1814** of the European Parliament and of the Council(\*).

Or. pl

#### *Justification*

*Unused phase III allowances should be used to prevent or reduce the application of the correction factor in accordance with Article 10(a)(5).*

### **Amendment 397**

**Andrzej Grzyb, Miroslav Mikolášik**

#### **Proposal for a directive**

**Article 1 – point 5 – point e – point i**

Directive 2003/87/EC

Article 10a – paragraph 7 – subparagraph 1

*Text proposed by the Commission*

Allowances from the maximum amount referred to Article 10a(5) of this Directive which were not allocated for free up to 2020 shall be set aside for new entrants **and** significant production increases, **together with 250 million** allowances placed in the market stability reserve pursuant to Article 1(3) of Decision (EU) 2015/... **of the European Parliament and of the Council**(\*).

*Amendment*

Allowances from the maximum amount referred to Article 10a(5) of this Directive which were not allocated for free up to 2020 shall be set aside for new entrants, **for** significant production increases **and for adjustments to the maximum level of free allocation set in paragraph 5. In addition,** the allowances placed in the market stability reserve pursuant to Article 1(3) of Decision (EU) 2015/1814 **shall be set aside for this purpose.**

Or. en

**Amendment 398**

**Jens Gieseke**

**Proposal for a directive**

**Article 1 – point 5 – point e – point i**

Directive 2003/87/EC

Article 10a – paragraph 7 – subparagraph 1

*Text proposed by the Commission*

Allowances from the maximum amount referred to Article 10a(5) of this Directive which were not allocated for free up to 2020 shall be set aside for new entrants **and** significant production increases, **together with 250 million** allowances placed in the market stability reserve pursuant to Article 1(3) of Decision (EU) 2015/... **of the European Parliament and of the Council**(\*).

*Amendment*

Allowances from the maximum amount referred to Article 10a(5) of this Directive which were not allocated for free up to 2020 shall be set aside for new entrants, **for** significant production increases **and for the application of paragraph 5. In addition, the** allowances placed in the market stability reserve pursuant to Article 1(3) of Decision (EU) 2015/1814 **shall be set aside for this purpose.**

Or. en

*Justification*

*It is essential that the full MSR is made available for free allocation and that following the use of any unallocated allowances left over from previous years the MSR is used to avoid the uniform factor in paragraph 5 (the CSCF) on free allocation for vulnerable sectors. In addition, it ensures a proper balance between free allocation and auctioning.*

## Amendment 399

Matteo Salvini

### Proposal for a directive

#### Article 1 – point 5 – point e – point i

Directive 2003/87/EC

Article 10a – paragraph 7 – subparagraph 1

#### *Text proposed by the Commission*

Allowances from the maximum amount referred to Article 10a(5) of this Directive which were not allocated for free up to 2020 shall be set aside for new entrants and significant production increases, **together with** 250 million allowances placed in the market stability reserve pursuant to Article 1(3) of Decision (EU) 2015/... **of the European Parliament and of the Council(\*)**.

#### *Amendment*

Allowances from the maximum amount referred to Article 10a(5) of this Directive which were not allocated for free up to 2020 shall be set aside for new entrants and significant production increases. **In addition**, 250 million allowances placed in the market stability reserve **by 31 December 2020** pursuant to Article 1(3) of Decision (EU) 2015/1814 **shall be set aside for this purpose**.

Or. en

## Amendment 400

Gerben-Jan Gerbrandy, José Inácio Faria

### Proposal for a directive

#### Article 1 – point 5 – point e – point i

Directive 2003/87/EC

Article 10a – paragraph 7 – subparagraph 1

#### *Text proposed by the Commission*

Allowances from the maximum amount referred to Article 10a(5) of this Directive which were not allocated for free up to 2020 **shall be set aside for new entrants and significant production increases, together with 250 million allowances placed in the market stability reserve pursuant to Article 1(3) of Decision (EU) 2015/... of the European Parliament and of the Council(\*)**.

#### *Amendment*

Allowances from the maximum amount referred to Article 10a(5) of this Directive which were not allocated for free up to 2020 **will be placed in the MSR**.

Or. en

*Justification*

*Unallocated allowances are placed in the Market Stability Reserve, in order to maintain a stable functioning of the market.*

**Amendment 401**

**Françoise Grossetête, Angélique Delahaye, Michel Dantin**

**Proposal for a directive**

**Article 1 – point 5 – point e – point i a (new)**

Directive 2003/87/EC

Article 10a – paragraph 7 – subparagraph 1 a (new)

*Text proposed by the Commission*

*Amendment*

*(ia) the following subparagraph is inserted after subparagraph 1:*

*'An installation shall be deemed to have a significant production variation when it increases or decreases its activity level in a given calendar year by at least 5% compared to the activity level used for calculating the installation's allocation of emission allowances.'*

Or. en

*Justification*

*The thresholds applied for significant activity variations within a same capacity should be more incentivising, avoiding large gaps between thresholds, so as to stick to the reality of activity level fluctuation.*

**Amendment 402**

**Christel Schaldemose, Jytte Guteland, Matthias Groote**

**Proposal for a directive**

**Article 1 – point 5 – point e – point i**

Directive 2003/87/EC

Article 10a – paragraph 7 – subparagraph 2

*Text proposed by the Commission*

*Amendment*

From 2021, allowances not allocated to

From 2021 *onwards*, *any* allowances not

installations because of the application of paragraphs 19 and 20 shall be added to the reserve.

allocated to installations because of the application of paragraphs 19 and 20 shall be added to the reserve. ***Allowances which are in the reserve by 2030 shall be cancelled.***

Or. en

#### *Justification*

*The New Entrants Reserve should be constructed from Phase 4 allowances just as the Phase 3 cap was constructed from Phase 3 allowances. The excess at the end of any period should be permanently retired.*

#### **Amendment 403**

**Eleonora Evi, Marco Affronte, Piernicola Pedicini, Dario Tamburrano**

#### **Proposal for a directive**

#### **Article 1 – point 5 – point e – point i**

Directive 2003/87/EC

Article 10a – paragraph 7 – subparagraph 2

#### *Text proposed by the Commission*

From 2021, allowances not allocated to installations because of the application of paragraphs 19 and 20 shall be added to the reserve.

#### *Amendment*

From 2021 ***onwards, any*** allowances not allocated to installations because of the application of paragraphs 19 and 20 shall be added to the reserve. ***Allowances which are in the reserve by 2030 shall be cancelled.***

Or. en

#### **Amendment 404**

**Matteo Salvini**

#### **Proposal for a directive**

#### **Article 1 – point 5 – point e – point i**

Directive 2003/87/EC

Article 10a – paragraph 7 – subparagraph 2

#### *Text proposed by the Commission*

From 2021, allowances not allocated to

#### *Amendment*

From 2021, allowances not allocated to

installations because of the application of paragraphs 19 and 20 shall be added to the reserve.

installations because of the application of paragraphs 19 and 20 shall be added to the reserve *for new entrants and production increases*.

Or. en

#### **Amendment 405**

**Jadwiga Wiśniewska, Bolesław G. Piecha**

#### **Proposal for a directive**

#### **Article 1 – point 5 – point e – point i**

Directive 2003/87/EC

Article 10a – paragraph 7 – subparagraph 2

#### *Text proposed by the Commission*

From 2021, allowances not allocated to installations because of the application of paragraphs 19 and 20 shall be added to the reserve.

#### *Amendment*

From 2021, allowances not allocated to installations because of the application of paragraphs 19 and 20 shall be added to the market stability reserve, *excluding RMUs*.

Or. pl

#### *Justification*

*RMUs should not be included in the reserve, as this would not provide any incentive for afforestation.*

#### **Amendment 406**

**Gerben-Jan Gerbrandy**

#### **Proposal for a directive**

#### **Article 1 – point 5 – point e – point i**

Directive 2003/87/EC

Article 10a – paragraph 7 – subparagraph 2

#### *Text proposed by the Commission*

From 2021, allowances not allocated to installations because of the application of paragraphs 19 and 20 shall be added to the *reserve*.

#### *Amendment*

From 2021, allowances not allocated to installations because of the application of paragraphs 19 and 20 shall be added to the *MSR*.



*Justification*

*Applying consistent wording for the MSR in the Directive.*

**Amendment 407**

**Eleonora Evi, Piernicola Pedicini, Marco Affronte, Dario Tamburrano**

**Proposal for a directive**

**Article 1 – point 5 – point e**

Directive 2003/87/EC

Article 10a – paragraph 7 – subparagraph 2

*Text proposed by the Commission*

From 2021, allowances not allocated to installations because of the application of paragraphs 19 and 20 shall be added to the reserve.

*Amendment*

From 2021, allowances not allocated to installations because of the application of paragraphs 19 and 20 shall be added to the reserve. ***Allowances which are in the reserve by 2030 shall be cancelled.***"

**Amendment 408**

**Jytte Guteland, Matthias Groote, Soledad Cabezón Ruiz, Jo Leinen, Giorgos Grammatikakis, Seb Dance, Carlos Zorrinho, Pavel Poc, José Blanco López, Massimo Paolucci, Damiano Zoffoli, Renata Briano, Elena Gentile, Christel Schaldemose, Nicola Caputo, Simona Bonafè, Gilles Pargneaux**

**Proposal for a directive**

**Article 1 – point 5 – point e a (new)**

Directive 2003/87/EC

Article 10a – paragraph 7 a (new)

*Text proposed by the Commission*

*Amendment*

***(ea) the following paragraph is inserted after paragraph 7:***

***'7a. In the event that installations in the sectors and sub-sectors concerned by paragraph 1 of Article 10b are entitled to an amount of free allowances which exceeds their actual production, these***

*excess allowances shall be exclusively dedicated to low carbon investment in the installations belonging to the same sector or sub-sector during the whole fourth trading period, in accordance with points b, e, g and l of article 10(3), as well as with the rules for public investments financed by free allocations in paragraphs 2 and 3 of article 10c ; the assets coming from the free allocations' monetisation during the fourth trading period have to be paid or engaged for low carbon investments at the latest 31 December 2030. A balance shall be made two times during the fourth trading period, in 2025 and 2030, with a possibility of sanctions under Article 16.'*

Or. en

#### *Justification*

*If installations receive more free allowances than motivated by their production, the excess amount of EUAs already received shall be earmarked for low-carbon investments.*

#### **Amendment 409**

**Bas Eickhout**

#### **Proposal for a directive**

#### **Article 1 – point 5 – point f**

Directive 2003/87/EC

Article 10a – paragraph 8 – subparagraph 1

#### *Text proposed by the Commission*

**400** million allowances shall be available to **support innovation** in low-carbon technologies and processes in industrial sectors listed in Annex I, and to help stimulate the construction and operation of commercial demonstration projects that aim at the environmentally safe capture and geological storage (CCS) of CO<sub>2</sub> as well as demonstration projects of innovative renewable energy technologies, in the territory of the Union.

#### *Amendment*

**600** million allowances shall be available to **leverage investments, using a variety of instruments managed by the European Investment Bank or other existing successful funding instruments, in innovation** in low-carbon technologies and processes in industrial sectors listed in Annex I, and to help stimulate the construction and operation of commercial demonstration projects that aim at the environmentally safe capture and

geological storage (CCS) of CO<sub>2</sub> *from industrial applications* as well as demonstration projects of innovative renewable energy technologies, in the territory of the Union.

Or. en

#### *Justification*

*A variety of financial instruments should be used to accelerate innovative low-carbon investments, including grants, loans and equity participation.*

#### **Amendment 410**

**Eleonora Evi, Piernicola Pedicini, Dario Tamburrano, Marco Affronte**

#### **Proposal for a directive**

##### **Article 1 – point 5 – point f**

Directive 2003/87/EC

Article 10a – paragraph 8 – subparagraph 1

#### *Text proposed by the Commission*

**400** million allowances shall be available to *support* innovation in low-carbon technologies and processes in industrial sectors listed in Annex I, and to help stimulate the construction and operation of commercial demonstration projects that aim at the *environmentally safe capture and geological storage (CCS) of CO<sub>2</sub> as well as* demonstration projects of innovative renewable energy technologies, *in the territory of the Union.*

#### *Amendment*

**600** million allowances shall be available to *leverage investments, using a variety of instruments managed by the European Investment Bank, in* innovation in low-carbon technologies and processes in industrial sectors listed in Annex I, and to help stimulate the construction and operation of commercial demonstration projects that aim at the *demonstration projects of innovative renewable energy technologies, in the territory of the Union.*

Or. en

#### **Amendment 411**

**Christel Schaldemose, Jytte Guteland, Matthias Grootte**

#### **Proposal for a directive**

##### **Article 1 – point 5 – point f**

Directive 2003/87/EC

Article 10a – paragraph 8 – subparagraph 1

*Text proposed by the Commission*

**400** million allowances shall be available to support innovation in low-carbon technologies and processes in industrial sectors listed in Annex I, and to help stimulate the construction and operation of commercial demonstration projects that aim at the environmentally safe capture and geological storage (CCS) of CO<sub>2</sub> *as well as demonstration projects of innovative renewable energy technologies*, in the territory of the Union.

*Amendment*

**800** million allowances shall be available to *leverage investment in* support of innovation in *renewable energy technologies*, low-carbon *products, bio-based materials and products substituting carbon intensive materials*, technologies and processes in industrial sectors listed in Annex I, and to help stimulate the construction and operation of commercial demonstration *and pilot projects of innovative renewable energy technologies and energy storage, as well as demonstration and pilot* projects that aim at the environmentally safe capture and geological storage (CCS) of CO<sub>2</sub>, in the territory of the Union.

Or. en

*Justification*

*Further increased funding to Innovation Fund from the share of free allocation.*

**Amendment 412**

**Jytte Guteland, Matthias Groote, Miriam Dalli, Soledad Cabezón Ruiz, Jo Leinen, Giorgos Grammatikakis, Caterina Chinnici, Seb Dance, Pavel Poc, José Blanco López, Massimo Paolucci, Damiano Zoffoli, Renata Briano, Elena Gentile, Nicola Caputo, Gilles Pargneaux**

**Proposal for a directive**

**Article 1 – point 5 – point f**

Directive 2003/87/EC

Article 10a – paragraph 8 – subparagraph 1

*Text proposed by the Commission*

**400** million allowances shall be available to support innovation in low-carbon technologies and processes in industrial sectors listed in Annex I, and to help stimulate the construction and operation of commercial demonstration projects that aim at the environmentally safe capture

*Amendment*

**600** million allowances shall be available to *leverage investment in* support of innovation in *renewable energy technologies*, low-carbon *products, bio-based materials and products substituting carbon intensive materials*, technologies and processes in industrial sectors listed in

and geological storage (CCS) of CO<sub>2</sub> *as well as demonstration projects of innovative renewable energy technologies*, in the territory of the Union.

Annex I, and to help stimulate the construction and operation of commercial demonstration *and pilot projects of innovative renewable energy technologies and energy storage, as well as demonstration and pilot* projects that aim at the environmentally safe capture and geological storage (CCS) of CO<sub>2</sub>, in the territory of the Union.

Or. en

#### *Justification*

*Increased funding to Innovation Fund key for future transition towards low-carbon economy.*

### **Amendment 413** **Carlos Zorrinho**

#### **Proposal for a directive**

#### **Article 1 – point 5 – point f**

Directive 2003/87/EC

Article 10a – paragraph 8 – subparagraph 1

#### *Text proposed by the Commission*

**400** million allowances shall be available to support innovation in *low-carbon* technologies and processes in industrial sectors listed in Annex I, and to help stimulate the construction and operation of commercial demonstration projects that aim at the environmentally safe capture and geological storage (CCS) of CO<sub>2</sub> *as well as* demonstration projects of innovative renewable energy technologies, in the territory of the Union.

#### *Amendment*

**600** million allowances shall be available to support innovation in *low-carbon* technologies and processes in industrial sectors listed in Annex I, and to help stimulate the construction and operation of commercial demonstration projects that aim at the environmentally safe capture and geological storage (CCS) *and use (CCU)* of CO<sub>2</sub> *and* demonstration projects of innovative renewable energy technologies, *as well as electric batteries and smart grid infrastructures notably for the deployment of electric mobility*, in the territory of the Union.

Or. en

## *Justification*

*Innovative low carbon solutions, such as smart grids and electric mobility, must also be included in the eligible technologies under this fund given their beneficial synergies with the ETS sectors and their indispensable role in achieving the objectives set out in the Roadmap for moving to a competitive low carbon economy by 2050.*

### **Amendment 414**

**Massimo Paolucci, Renata Briano, Damiano Zoffoli, Simona Bonafè, Elena Gentile, Nicola Caputo**

#### **Proposal for a directive**

##### **Article 1 – point 5 – point f**

Directive 2003/87/EC

Article 10a – paragraph 8 – subparagraph 1

#### *Text proposed by the Commission*

**400** million allowances shall be available to *support* innovation in low-carbon technologies and processes in industrial sectors listed in Annex I, and to help stimulate the construction and operation of commercial demonstration projects that aim at the environmentally safe capture and geological storage (CCS) of CO<sub>2</sub> as well as demonstration projects of innovative renewable energy technologies, in the territory of the Union.

#### *Amendment*

**600** million allowances shall be available to *leverage investments, using a variety of instruments managed by the European Investment Bank, in* innovation in low-carbon technologies and processes in industrial sectors listed in Annex I, and to help stimulate the construction and operation of commercial demonstration projects that aim at the environmentally safe capture and geological storage (CCS) of CO<sub>2</sub> as well as demonstration projects of innovative renewable energy technologies, in the territory of the Union.

Or. en

### **Amendment 415**

**Gerben-Jan Gerbrandy, José Inácio Faria**

#### **Proposal for a directive**

##### **Article 1 – point 5 – point f**

Directive 2003/87/EC

Article 10a – paragraph 8 – subparagraph 1

#### *Text proposed by the Commission*

**400** million allowances shall be available

#### *Amendment*

**550** million allowances shall be available

to *support* innovation in low-carbon technologies and processes in industrial sectors listed in Annex I, and to help stimulate the construction and operation of commercial demonstration projects that aim at the environmentally safe capture and geological storage (CCS) of CO<sub>2</sub> as well as demonstration projects of innovative renewable energy technologies, in the territory of the Union.

to *leverage investments, using a variety of instruments managed by the European Investment Bank, in* innovation in low-carbon technologies and processes in industrial sectors listed in Annex I, and to help stimulate the construction and operation of commercial demonstration projects that aim at the environmentally safe capture and geological storage (CCS) of CO<sub>2</sub> as well as demonstration projects of innovative renewable energy technologies, in the territory of the Union.

Or. en

### *Justification*

*The Innovation Fund should be strengthened by increasing its volume. In addition, the European Investment Bank should be enabled to use a variety of financial instruments to accelerate innovative low-carbon investments, including grants and loans.*

## **Amendment 416** **Jo Leinen**

### **Proposal for a directive**

#### **Article 1 – point 5 – point f**

Directive 2003/87/EC

Article 10a – paragraph 8 – subparagraph 1

#### *Text proposed by the Commission*

**400** million allowances shall be available to support innovation in low-carbon technologies and processes in industrial sectors listed in Annex I, and to help stimulate the construction and operation of commercial demonstration projects that aim at the environmentally safe capture and geological storage (CCS) of CO<sub>2</sub> as well as *demonstration projects of innovative renewable energy technologies*, in the territory of the Union.

#### *Amendment*

**600** million allowances shall be available to *leverage investment in* support of innovation in *renewable energy technologies, low-carbon products, bio-based materials and products substituting carbon intensive materials*, technologies and processes in industrial sectors listed in Annex I, and to help stimulate the construction and operation of commercial demonstration *and pilot projects of innovative renewable energy technologies and energy storage, as well as demonstration and pilot* projects that aim at the environmentally safe capture and geological storage (CCS) of CO<sub>2</sub> as well as

*capture and re-use of CO<sub>2</sub> (CCU)*, in the territory of the Union.

Or. en

#### **Amendment 417**

**Ivo Belet, Pilar Ayuso, Michel Dantin, Francesc Gambús, Elisabetta Gardini, Jens Gieseke, Françoise Grossetête, Krišjānis Kariņš, Giovanni La Via, Peter Liese, Massimiliano Salini, Antonio Tajani, Annie Schreijer-Pierik, Alojz Peterle**

#### **Proposal for a directive**

##### **Article 1 – point 5 – point f**

Directive 2003/87/EC

Article 10a – paragraph 8 – subparagraph 1

#### *Text proposed by the Commission*

400 million allowances shall be available to support innovation in low-carbon technologies and processes in industrial sectors listed in Annex I, and to help stimulate the construction and operation of commercial demonstration projects that aim at *the* environmentally safe *capture and geological storage (CCS) of CO<sub>2</sub>* as well as demonstration projects of innovative renewable energy technologies, in the territory of the Union.

#### *Amendment*

400 million allowances, *taken from the share of allowances to be auctioned*, shall be available to support *and leverage investments, using different instruments managed by the European Investment Bank, in* innovation in low-carbon technologies and processes in industrial sectors listed in Annex I, and to help stimulate the construction and operation of commercial demonstration projects that aim at environmentally safe *CCS and CCU* as well as demonstration projects of innovative renewable energy technologies, *energy conversion and storage, as well as electric battery development* in the territory of the Union.

Or. en

#### **Amendment 418**

**Jadwiga Wiśniewska, Bolesław G. Piecha**

#### **Proposal for a directive**

##### **Article 1 – point 5 – point f**

Directive 2003/87/EC

Article 10a – paragraph 8 – subparagraph 1



*Text proposed by the Commission*

400 million allowances shall be available to support innovation in low-carbon technologies and processes in industrial sectors listed in Annex I, and to help stimulate the construction and operation of commercial demonstration projects that aim at the environmentally safe capture and geological storage (CCS) of CO<sub>2</sub> as well as demonstration projects of innovative renewable energy technologies, in the territory of the Union.

*Amendment*

400 million allowances shall be available to support innovation in low-carbon technologies and processes in industrial sectors listed in Annex I, ***for energy-efficient district heating and cogeneration***, and to help stimulate the construction and operation of commercial demonstration projects that aim at the environmentally safe capture and geological storage (CCS) ***and use in industrial processes (CCU)*** of CO<sub>2</sub> as well as demonstration projects of innovative renewable energy technologies, in the territory of the Union.

Or. pl

*Justification*

*District heating, cogeneration and CCU are potentially linked to significant environmental gains. In this connection, they should be supported under this programme.*

**Amendment 419**

**Marian-Jean Marinescu**

**Proposal for a directive**

**Article 1 – point 5 – point f**

Directive 2003/87/EC

Article 10a – paragraph 8 – subparagraph 1

*Text proposed by the Commission*

400 million allowances shall be available to support innovation in low-carbon technologies and processes in industrial sectors listed in Annex I, and to help stimulate the construction and operation of commercial demonstration projects that aim at the environmentally safe capture and geological storage (CCS) of CO<sub>2</sub> as well as demonstration projects of innovative renewable energy technologies, in the territory of the Union.

*Amendment*

400 million allowances shall be available to support innovation in low-carbon technologies and processes in industrial sectors listed in Annex I, ***including district heating and high efficiency cogeneration***, and to help stimulate the construction and operation of commercial demonstration projects that aim at the environmentally safe capture and geological storage (CCS) ***and re-use/Carbon Capture and Use (CCU)*** of CO<sub>2</sub> as well as demonstration

projects of innovative renewable energy technologies, in the territory of the Union.

Or. en

## **Amendment 420**

**Matteo Salvini**

### **Proposal for a directive**

#### **Article 1 – point 5 – point f**

Directive 2003/87/EC

Article 10a – paragraph 8 – subparagraph 1

#### *Text proposed by the Commission*

400 million allowances shall be available to support innovation in low-carbon technologies and processes in industrial sectors listed in Annex I, and to help stimulate the construction and operation of commercial demonstration projects that aim at the environmentally safe *capture and geological storage (CCS) of CO<sub>2</sub>* as well as demonstration projects of innovative renewable energy technologies, in the territory of the Union.

#### *Amendment*

*Up to* 400 million allowances *to be auctioned as set out in Article 10* shall be available to support innovation in low-carbon technologies and processes in industrial sectors listed in Annex I, and *up to a maximum of 50 million allowances shall be available to* help stimulate the construction and operation of commercial demonstration projects that aim at the environmentally safe *CCS and CCU* as well as demonstration projects of innovative renewable energy technologies, in the territory of the Union (*"the Innovation Fund"*).

Or. en

## **Amendment 421**

**Eleonora Evi, Dario Tamburrano, Piernicola Pedicini, Marco Affronte**

### **Proposal for a directive**

#### **Article 1 – point 5 – point f**

Directive 2003/87/EC

Article 10a – paragraph 8 – subparagraph 1

#### *Text proposed by the Commission*

400 million allowances shall be available to support innovation in low-carbon technologies and processes in industrial

#### *Amendment*

400 million allowances shall be available to support innovation in low-carbon technologies and processes in industrial

sectors listed in Annex I, and to help stimulate the construction and operation of commercial demonstration projects *that aim at the environmentally safe capture and geological storage (CCS) of CO2 as well as demonstration projects* of innovative renewable energy technologies, in the territory of the Union.

sectors listed in Annex I, and to help stimulate the construction and operation of commercial demonstration projects of innovative renewable energy technologies, in the territory of the Union.

Or. en

#### **Amendment 422**

**Gesine Meissner, Ulrike Müller**

#### **Proposal for a directive**

#### **Article 1 – point 5 – point f**

Directive 2003/87/EC

Article 10a – paragraph 8 – subparagraph 1

#### *Text proposed by the Commission*

400 million allowances shall be *available* to support innovation in low-carbon technologies and processes in industrial sectors listed in Annex I, and to help stimulate the construction and operation of commercial demonstration projects that aim at the environmentally safe capture and geological storage (CCS) of CO2 as well as demonstration projects of innovative renewable energy technologies, in the territory of the Union.

#### *Amendment*

400 million *of the* allowances *to be auctioned* shall be *auctioned* to support, *on a technology-neutral basis*, innovation in low-carbon technologies and processes in industrial sectors listed in Annex I, and to help stimulate the construction and operation of commercial demonstration projects that aim, *for instance*, at the environmentally safe capture and geological storage (CCS) *or use (CCU)* of CO2 as well as demonstration projects of innovative renewable energy technologies, in the territory of the Union.

Or. de

#### **Amendment 423**

**Miriam Dalli**

#### **Proposal for a directive**

#### **Article 1 – point 5 – point f**

Directive 2003/87/EC

Article 10a – paragraph 8 – subparagraph 1

*Text proposed by the Commission*

400 million allowances shall be available to support innovation in low-carbon technologies and processes in industrial sectors listed in Annex I, and to help stimulate the construction and operation of commercial demonstration projects that aim at the environmentally safe capture and geological storage (CCS) of CO<sub>2</sub> as well as demonstration projects of innovative renewable energy technologies, in the territory of the Union.

*Amendment*

400 million allowances shall be available to support innovation in low-carbon technologies and processes in industrial sectors listed in Annex I, and to help stimulate the construction and operation of commercial demonstration projects that aim at the environmentally safe capture and geological storage (CCS) of CO<sub>2</sub> as well as demonstration projects of innovative renewable energy technologies, in the territory of the Union, ***including at a smaller scale where the investment is made in a smaller Member State.***

Or. en

*Justification*

*Small scale innovative projects in low carbon technologies should also be eligible for support through the Directive, including through the innovation fund, especially when it comes to investments made in smaller Member States.*

**Amendment 424**

**Claudiu Ciprian Tănăsescu, Daciana Octavia Sârbu**

**Proposal for a directive**

**Article 1 – point 5 – point f**

Directive 2003/87/EC

Article 10a – paragraph 8 – subparagraph 1

*Text proposed by the Commission*

400 million allowances shall be available to support innovation in low-carbon technologies and processes in industrial sectors listed in Annex I, and to help stimulate the construction and operation of commercial demonstration projects that aim at the environmentally safe ***capture and geological storage*** (CCS) of CO<sub>2</sub> as well as demonstration projects of innovative renewable energy technologies, in the territory of the Union.

*Amendment*

400 million allowances shall be available to support innovation in low-carbon technologies and processes in industrial sectors listed in Annex I, and to help stimulate the construction and operation of commercial demonstration projects that aim at the environmentally safe ***CCS and CCU*** of CO<sub>2</sub> as well as demonstration projects of innovative renewable energy technologies, in the territory of the Union.

**Amendment 425**  
**Gerben-Jan Gerbrandy**

**Proposal for a directive**

**Article 1 – point 5 – point f**

Directive 2003/87/EC

Article 10a – paragraph 8 – subparagraph 2

*Text proposed by the Commission*

The allowances shall be made available for innovation in low-carbon industrial technologies and processes and support for demonstration projects for the development of a wide range of CCS and innovative renewable energy technologies that are not yet commercially viable ***in geographically balanced locations***. In order to promote innovative projects, up to 60% of the relevant costs of projects may be supported, out of which up to 40% may not be dependent on verified avoidance of greenhouse gas emissions provided that pre-determined milestones are attained taking into account the technology deployed.

*Amendment*

The allowances shall be made available for innovation in low-carbon industrial technologies and processes and support for demonstration projects for the development of a wide range of CCS and innovative renewable energy technologies that are not yet commercially viable. ***Eligible low-carbon industrial projects shall contribute to emission reductions of at least 20% below the benchmark as set out in paragraph 2 and shall enhance competitiveness and productivity. Eligible energy projects shall have the future prospect to significantly lower the costs of low-carbon energy production.*** In order to promote innovative projects, up to 60% of the relevant costs of projects may be supported, out of which up to 40% may not be dependent on verified avoidance of greenhouse gas emissions provided that pre-determined milestones are attained taking into account the technology deployed. ***The Commission shall publish before 2018 the state aid guidelines for Member State co-financing of eligible projects.***

Or. en

*Justification*

*Industry breakthrough technologies should contribute to very significant emission cuts to be considered a real breakthrough. Moreover, the innovation should help the firm become more competitive and productive in order to be taken up by the sector through private investments*

*and remain viable in the long-term. As zero carbon energy technologies already exist, the Fund should primarily contribute to further reducing the costs of low-carbon energy technologies. In order to start projects timely, investors and Member States should know the relevant state aid rules well in time.*

## **Amendment 426**

**Matteo Salvini**

### **Proposal for a directive**

#### **Article 1 – point 5 – point f**

Directive 2003/87/EC

Article 10a – paragraph 8 – subparagraph 2

#### *Text proposed by the Commission*

The allowances shall be made available for innovation in low-carbon industrial technologies and processes and support for demonstration projects for the development of a wide range of CCS and innovative renewable energy technologies that are not yet commercially viable in geographically balanced locations. In order to promote innovative projects, up to **60%** of the relevant costs of projects may be supported, out of which up to 40% may not be dependent on verified avoidance of greenhouse gas emissions provided that pre-determined milestones are attained taking into account the technology deployed.

#### *Amendment*

The allowances shall be made available for innovation in low-carbon industrial technologies and processes, ***carbon clean operation modes in existing installations*** and support for demonstration projects for the development of a wide range of CCS and ***CCU and*** innovative renewable energy technologies that are not yet commercially viable in geographically balanced locations. In order to promote innovative projects, up to **80%** of the relevant costs of projects, ***operating costs due to modifications in existing installations or investments in existing installations*** may be supported, out of which up to 40% may not be dependent on verified avoidance of greenhouse gas emissions provided that pre-determined milestones are attained taking into account the technology ***or process adaption*** deployed.

Or. en

## **Amendment 427**

**Bas Eickhout**

### **Proposal for a directive**

#### **Article 1 – point 5 – point f**

Directive 2003/87/EC

Article 10a – paragraph 8 – subparagraph 2

*Text proposed by the Commission*

The allowances shall be made available for innovation in low-carbon industrial technologies and processes and support for demonstration projects for the development of a wide range of **CCS and** innovative renewable energy technologies that are not yet commercially viable in geographically balanced locations. In order to promote innovative projects, up to 60% of the relevant costs of projects may be supported, out of which up to 40% may not be dependent on verified avoidance of greenhouse gas emissions provided that pre-determined milestones are attained taking into account the technology deployed.

*Amendment*

The allowances shall be made available for innovation in low-carbon industrial **products**, technologies and processes and support for demonstration projects for the development of a wide range of innovative renewable energy technologies that are not yet commercially viable in geographically balanced locations. **Eligible low-carbon industrial projects shall contribute to emission reductions of at least 20% below the benchmark as set out in paragraph 2.** In order to promote innovative projects, up to 60% of the relevant costs of projects may be supported, out of which up to 40% may not be dependent on verified avoidance of greenhouse gas emissions provided that pre-determined milestones are attained taking into account the technology deployed.

Or. en

**Amendment 428**

**Eleonora Evi, Marco Affronte, Piernicola Pedicini, Dario Tamburrano**

**Proposal for a directive**

**Article 1 – point 5 – point f**

Directive 2003/87/EC

Article 10a – paragraph 8 – subparagraph 2

*Text proposed by the Commission*

The allowances shall be made available for innovation in low-carbon industrial technologies and processes and support for demonstration projects for the development of a wide range of **CCS and** innovative renewable energy technologies that are not yet commercially viable in geographically balanced locations. **In order to promote innovative projects, up to 60% of the relevant costs of projects may be supported, out of which up to 40% may not** be dependent on verified avoidance of

*Amendment*

The allowances shall be made available for innovation in low-carbon industrial **products**, technologies and processes and support for demonstration projects for the development of a wide range of innovative renewable energy technologies that are not yet commercially viable in geographically balanced locations. **Eligible** costs of projects may be dependent on verified avoidance of greenhouse gas emissions.

greenhouse gas emissions *provided that pre-determined milestones are attained taking into account the technology deployed.*

Or. en

**Amendment 429**  
**Marian-Jean Marinescu**

**Proposal for a directive**  
**Article 1 – point 5 – point f**  
Directive 2003/87/EC  
Article 10a – paragraph 8 – subparagraph 2

*Text proposed by the Commission*

The allowances shall be made available for innovation in low-carbon industrial technologies and processes and support for demonstration projects for the development of a wide range of CCS and innovative renewable energy technologies that are not yet commercially viable in geographically balanced locations. In order to promote innovative projects, up to **60%** of the relevant costs of projects may be supported, out of which up to **40%** may not be dependent on verified avoidance of greenhouse gas emissions provided that pre-determined milestones are attained taking into account the technology deployed.

*Amendment*

The allowances shall be made available for innovation in low-carbon industrial technologies and processes and support for demonstration projects for the development of a wide range of CCS and innovative renewable energy technologies that are not yet commercially viable in geographically balanced locations. In order to promote innovative projects, up to **75%** of the relevant costs of projects may be supported, out of which up to **25%** may not be dependent on verified avoidance of greenhouse gas emissions provided that pre-determined milestones are attained taking into account the technology deployed. ***The Commission shall publish the state aid guidelines for Member State co-financing of eligible projects.***

Or. en

**Amendment 430**  
**Merja Kyllönen, Kateřina Konečná**

**Proposal for a directive**  
**Article 1 – point 5 – point f**  
Directive 2003/87/EC  
Article 10a – paragraph 8 – subparagraph 2



*Text proposed by the Commission*

The allowances shall be made available for innovation in low-carbon industrial technologies and processes and support for demonstration projects for the development of a wide range of CCS and innovative renewable energy technologies that are not yet commercially viable in geographically balanced locations. In order to promote innovative projects, up to 60% of the relevant costs of projects may be supported, out of which up to 40% may not be dependent on verified avoidance of greenhouse gas emissions provided that pre-determined milestones are attained taking into account the technology deployed.

*Amendment*

The allowances shall be made available for innovation in low-carbon industrial technologies and processes and support for demonstration projects for the development of a wide range of CCS and innovative renewable energy technologies that are not yet commercially viable in geographically balanced locations. ***The support shall be technology-neutral and the instrument used shall be in the form of a grant.*** In order to promote innovative projects, up to 60% of the relevant costs of projects may be supported, out of which up to 40% may not be dependent on verified avoidance of greenhouse gas emissions provided that pre-determined milestones are attained taking into account the technology deployed.

Or. en

*Justification*

*The innovation support NER300 at the present phase has not been functioned properly, and many of the selected projects has not been started at all. For the new innovation fund there is clear need for improvements. The support should be technology-neutral instead of beforehand selected eligible technologies. The support instrument should continue to be in the form of grant instead of loan or capital support. These are not working properly when developing innovations.*

**Amendment 431**

**Gesine Meissner, Ulrike Müller**

**Proposal for a directive**

**Article 1 – point 5 – point f**

Directive 2003/87/EC

Article 10a – paragraph 8 – subparagraph 2

*Text proposed by the Commission*

The allowances shall be made available for innovation in low-carbon industrial technologies and ***processes*** and support for

*Amendment*

The allowances shall be made available for innovation in ***the whole range of*** low-carbon industrial technologies and

demonstration projects for the development of a wide range of CCS and innovative renewable energy technologies that are not yet commercially viable *in geographically balanced locations*. In order to promote innovative projects, up to **60%** of the relevant costs of projects may be supported, out of which up to **40 %** may not be dependent on verified avoidance of greenhouse gas emissions provided that pre-determined milestones are attained taking into account the technology deployed.

*concepts for existing and new installations, and of low-carbon industrial processes*, support for demonstration projects for the development of a wide range of CCS, *CCU* and innovative renewable energy technologies *and concepts* that are not yet commercially viable, *and within the extractive industry*. In order to promote innovative projects, up to **75%** of the relevant costs of projects may be supported, out of which up to **55%** may not be dependent on verified avoidance of greenhouse gas emissions provided that pre-determined milestones are attained taking into account the technology deployed.

Or. de

#### **Amendment 432**

**Jadwiga Wiśniewska, Bolesław G. Piecha**

#### **Proposal for a directive**

#### **Article 1 – point 5 – point f**

Directive 2003/87/EC

Article 10a – paragraph 8 – subparagraph 2

#### *Text proposed by the Commission*

The allowances shall be made available for innovation in low-carbon industrial technologies and processes and support for demonstration projects for the development of a wide range of CCS and innovative renewable energy technologies that are not yet commercially viable in geographically balanced locations. In order to promote innovative projects, up to 60 % of the relevant costs of projects may be supported, out of which up to 40 % may not be dependent on verified avoidance of greenhouse gas emissions provided that pre-determined milestones are attained taking into account the technology deployed.

#### *Amendment*

The allowances shall be made available for innovation in low-carbon industrial technologies and processes and support for demonstration projects for the development of a wide range of CCS *or CCU, district heating, cogeneration* and innovative renewable energy technologies that are not yet commercially viable in geographically balanced locations. In order to promote innovative projects, up to 60 % of the relevant costs of projects may be supported, out of which up to 40 % may not be dependent on verified avoidance of greenhouse gas emissions provided that pre-determined milestones are attained taking into account the technology deployed.

**Amendment 433**

**Jo Leinen**

**Proposal for a directive**

**Article 1 – point 5 – point f**

Directive 2003/87/EC

Article 10a – paragraph 8 – subparagraph 2

*Text proposed by the Commission*

The allowances shall be made available for innovation in low-carbon industrial technologies *and* processes and support for demonstration projects for the development of a wide range of CCS and innovative renewable energy technologies that are not yet commercially viable in geographically balanced locations. In order to promote innovative projects, up to **60%** of the relevant costs of projects may be supported, out of which up to 40% may not be dependent on verified avoidance of greenhouse gas emissions provided that pre-determined milestones are attained taking into account the technology deployed.

*Amendment*

The allowances shall be made available for innovation in low-carbon industrial technologies, *concepts and* processes and support for demonstration projects for the development of a wide range of CCS, *CCU* and innovative renewable energy technologies that are not yet commercially viable in geographically balanced locations. In order to promote innovative projects, up to **75%** of the relevant costs of projects may be supported, out of which up to 40% may not be dependent on verified avoidance of greenhouse gas emissions provided that pre-determined milestones are attained taking into account the technology deployed.

Or. en

**Amendment 434**

**Ivo Belet, Michel Dantin, Francesc Gambús, Jens Gieseke, Françoise Grossetête, Krišjānis Kariņš, Andrey Kovatchev, Alojz Peterle, Annie Schreijer-Pierik**

**Proposal for a directive**

**Article 1 – point 5 – point f**

Directive 2003/87/EC

Article 10a – paragraph 8 – subparagraph 2

*Text proposed by the Commission*

The allowances shall be made available for innovation in low-carbon industrial technologies and processes and support for demonstration projects for the development

*Amendment*

The allowances shall be made available for innovation in low-carbon industrial technologies and processes and support for demonstration projects for the development

of a wide range of CCS and innovative renewable energy technologies that are not yet commercially viable in geographically balanced locations. In order to promote innovative projects, up to **60%** of the relevant costs of projects may be supported, out of which up to **40%** may not be dependent on verified avoidance of greenhouse gas emissions provided that pre-determined milestones are attained taking into account the technology deployed.

of a wide range of CCS, *CCU* and innovative renewable energy technologies that are not yet commercially viable in geographically balanced locations. In order to promote innovative projects, up to **75%** of the relevant costs of projects may be supported, out of which up to **50%** may not be dependent on verified avoidance of greenhouse gas emissions provided that pre-determined milestones are attained taking into account the technology deployed.

Or. en

#### **Amendment 435**

**Jytte Guteland, Matthias Groote, Soledad Cabezón Ruiz, Jo Leinen, Seb Dance, Carlos Zorrinho, Pavel Poc, José Blanco López, Christel Schaldemose, Gilles Pargneaux**

#### **Proposal for a directive**

#### **Article 1 – point 5 – point f**

Directive 2003/87/EC

Article 10a – paragraph 8 – subparagraph 2

#### *Text proposed by the Commission*

The allowances shall be made available for innovation in low-carbon industrial technologies and processes and support for demonstration projects for the development of a wide range of **CCS and** innovative renewable energy technologies that are not yet commercially viable in geographically balanced locations. In order to promote innovative projects, up to 60% of the relevant costs of projects may be supported, out of which up to 40% may not be dependent on verified avoidance of greenhouse gas emissions provided that pre-determined milestones are attained taking into account the technology deployed.

#### *Amendment*

The allowances shall be made available for innovation in low-carbon industrial technologies and processes and support for demonstration projects for the development of a wide range of innovative renewable energy technologies **and CCS** that are not yet commercially viable in geographically balanced locations. In order to promote innovative projects, up to 60% of the relevant costs of projects may be supported, out of which up to 40% may not be dependent on verified avoidance of greenhouse gas emissions provided that pre-determined milestones are attained taking into account the technology deployed.

Or. en

**Amendment 436**  
**Gerben-Jan Gerbrandy**

**Proposal for a directive**  
**Article 1 – point 5 – point f**

Directive 2003/87/EC

Article 10a – paragraph 8 – subparagraph 2 a (new)

*Text proposed by the Commission*

*Amendment*

***CCU demonstration projects that trap carbon in a permanent form, which do not shift emissions to other sectors or delay the release of carbon, shall be eligible for support under the same conditions as demonstration projects for CCS.***

Or. en

*Justification*

*When carbon is trapped in a permanent form, such as through accelerated mineralisation, to produce construction materials and polymer formation, the application will have a positive impact on climate mitigation and will contribute to low-carbon innovation.*

**Amendment 437**  
**Matteo Salvini**

**Proposal for a directive**  
**Article 1 – point 5 – point f**

Directive 2003/87/EC

Article 10a – paragraph 8 – subparagraph 3

*Text proposed by the Commission*

*Amendment*

***In addition, 50 million unallocated allowances from the market stability reserve established by Decision (EU) 2015/... shall supplement any existing resources remaining under this paragraph for projects referred to above, with projects in all Member States including small-scale projects, before 2021. Projects shall be selected on the basis of objective and transparent criteria.***

Projects shall be selected on the basis of objective and transparent criteria.

**Amendment 438**

**Ivo Belet, Pilar Ayuso, Michel Dantin, Francesc Gambús, Françoise Grossetête, Krišjānis Kariņš, Peter Liese, Alojz Peterle, Annie Schreijer-Pierik**

**Proposal for a directive**

**Article 1 – point 5 – point f**

Directive 2003/87/EC

Article 10a – paragraph 8 – subparagraph 3

*Text proposed by the Commission*

In addition, 50 million unallocated allowances from the market stability reserve established by Decision (EU) 2015/... shall supplement any existing resources remaining under this paragraph for projects referred to *above*, with projects in all Member States including small-scale projects, before 2021. Projects shall be selected on the basis of objective and transparent criteria.

*Amendment*

In addition, 50 million unallocated allowances from the market stability reserve established by Decision (EU) 2015/~~1814~~ shall supplement any existing resources remaining under this paragraph *as a consequence of funds resulting from NER300 allowance auctions for the period between 2013 and 2020 not having been used*, for projects referred to *in subparagraphs 1 and 2*, with projects in all Member States including small-scale projects, before 2021 *and from 2018 onwards*. Projects shall be selected on the basis of objective and transparent criteria, *taking into account their relevance in relation to the decarbonisation of the sectors concerned*.

*Projects supported under this subparagraph may also receive further support under subparagraphs 1 and 2.*

**Amendment 439**

**Gilles Pargneaux**

**Proposal for a directive**

**Article 1 – point 5 – point f**

Directive 2003/87/CE

Article 10a – paragraph 8 – subparagraph 3

*Text proposed by the Commission*

In addition, 50 million unallocated allowances from the market stability reserve established by Decision (EU) 2015/... shall supplement any existing resources remaining under this paragraph for projects referred to above, with projects in all Member States including small-scale projects, **before 2021**. Projects shall be selected on the basis of objective and transparent criteria.

*Amendment*

In addition, 50 million unallocated allowances from the market stability reserve established by Decision (EU) 2015/**1814**, **and the unallocated allowances originally intended for NER 300**, shall supplement any existing resources remaining under this paragraph for projects referred to above, with projects in all Member States including small-scale projects, **from 2019 onwards**. Projects shall be selected on the basis of objective and transparent criteria.

Or. fr

**Amendment 440**

**Gerben-Jan Gerbrandy, Jasenko Selimovic**

**Proposal for a directive**

**Article 1 – point 5 – point f**

Directive 2003/87/EC

Article 10a – paragraph 8 – subparagraph 3

*Text proposed by the Commission*

In addition, 50 million unallocated allowances from the market stability reserve established by Decision (EU) 2015/... shall supplement any existing resources remaining under this paragraph for projects referred to **above, with projects in all Member States including small-scale projects, before 2021**. Projects shall be selected on the basis of objective and transparent criteria.

*Amendment*

In addition, 50 million unallocated allowances from the market stability reserve established by Decision (EU) 2015/**1814 and unused funds from NER300 allowance auctions for the period between 2013 and 2020** shall supplement any existing resources remaining under this paragraph for projects referred to **in subparagraphs 1 and 2, from 2018 onwards**. Projects shall be selected on the basis of objective and transparent criteria.

Or. en

*Justification*

*A significant sum of the current NER300 funds under phase 3 remains unused under the current rules. These funds should be released as soon as possible so to contribute to*

*investments in innovative renewable energy technology, CCS and industrial breakthrough technologies and processes.*

#### **Amendment 441**

**Bas Eickhout**

#### **Proposal for a directive**

#### **Article 1 – point 5 – point f**

Directive 2003/87/EC

Article 10a – paragraph 8 – subparagraph 3

#### *Text proposed by the Commission*

In addition, 50 million unallocated allowances from the market stability reserve established by Decision (EU) 2015/... shall supplement any existing resources remaining under this paragraph for projects referred to *above*, with projects in all Member States including small-scale projects, *before 2021*. Projects shall be selected on the basis of objective and transparent criteria.

#### *Amendment*

In addition, 50 million unallocated allowances from the market stability reserve established by Decision (EU) 2015/~~1814~~ shall supplement any existing resources remaining under this paragraph for projects referred to *in subparagraphs 1 and 2*, with projects in all Member States including small-scale projects, *from 2018*. Projects shall be selected on the basis of objective and transparent criteria *that include requirements for knowledge-sharing*.

Or. en

#### *Justification*

*The Commission should prepare with stakeholders how to best spend the remaining existing resources from the moment the revised Directive enters into force, and take successful international experiences into account.*

#### **Amendment 442**

**Ivo Belet, Francesc Gambús, Krišjānis Kariņš, Andrey Kovatchev, Peter Liese, Alojz Peterle, Annie Schreijer-Pierik**

#### **Proposal for a directive**

#### **Article 1 – point 5 – point f**

Directive 2003/87/EC

Article 10a – paragraph 8 – subparagraph 3 a (new)



***The timetable for monetisation of allowances shall be published no later than 18 months before the start of Phase IV and shall ensure the gradual monetisation of the allowances spread out throughout that Phase.***

Or. en

**Amendment 443**

**Jytte Guteland, Matthias Groote, Miriam Dalli, Soledad Cabezón Ruiz, Jo Leinen, Giorgos Grammatikakis, Seb Dance, Carlos Zorrinho, Pavel Poc, José Blanco López, Simona Bonafè, Massimo Paolucci, Damiano Zoffoli, Renata Briano, Elena Gentile, Christel Schaldemose, Nicola Caputo, Gilles Pargneaux**

**Proposal for a directive**

**Article 1 – point 5 – point f**

Directive 2003/87/EC

Article 10a – paragraph 8 – subparagraph 4

*Text proposed by the Commission*

*Amendment*

The Commission ***shall be*** empowered to adopt a delegated act in accordance with Article 23.

The Commission ***is*** empowered to adopt a delegated act in accordance with Article 23 ***to supplement this directive, taking due account of the following principles:***

- ***Projects shall focus on research and innovation for the design and development of breakthrough solutions and implementation of demonstration programmes, including in real industrial environments;***
- ***Projects shall deliver ambitious reductions in specific greenhouse gas emission intensity of at least 20%, with respect to the best available technologies;***
- ***The activities shall run close-to-market in production plants to demonstrate the viability of breakthrough technologies in overcoming the technological as well as non-technological barriers;***

- *Projects shall address technological solutions that can have widespread applications and may combine different technologies;*
- *Solutions and technologies shall ideally have the potential to be transferred within the sector and possibly to other sectors.*

Or. en

**Amendment 444**  
**Gesine Meissner, Ulrike Müller**

**Proposal for a directive**  
**Article 1 – point 5 – point f**  
 Directive 2003/87/EC  
 Article 10a – paragraph 8 – subparagraph 4

*Text proposed by the Commission*

The Commission shall *be empowered to adopt a delegated act* in accordance with Article 23.

*Amendment*

The Commission shall *adopt an implementing act for this purpose* in accordance with Article 22a.

Or. de

**Amendment 445**  
**Jens Gieseke, Norbert Lins, Birgit Collin-Langen**

**Proposal for a directive**  
**Article 1 – point 5 – point f a (new)**  
 Directive 2003/87/EC  
 Article 10a – paragraph 8 – subparagraph 5

*Present text*

'Allowances shall be set aside for the projects that meet the criteria referred to in the third subparagraph. Support for these projects shall be given via Member States and shall be complementary to substantial co-financing by the operator of the

*Amendment*

*(fa) In paragraph 8, subparagraph 5 is replaced by the following:*

'Allowances shall be set aside for the projects that meet the criteria referred to in the third subparagraph. Support for these projects shall be given via Member States and shall be complementary to substantial co-financing by the operator of the

installation. They could also be co-financed by the Member State concerned, as well as by other instruments. No project shall receive support via the mechanism under this paragraph that exceeds **15 %** of the total number of allowances available for this purpose. These allowances shall be taken into account under paragraph 7.'

installation. They could also be co-financed by the Member State concerned, as well as by other instruments. No project shall receive support via the mechanism under this paragraph that exceeds **20 %** of the total number of allowances available for this purpose. These allowances shall be taken into account under paragraph 7.

*The cancellation of allowances in accordance with paragraph 19 shall be dispensed if the operator applies to take over the production from one or several of his production sites (production transfer into the same company), and he proves in each case up to the 31st of January of one year that the actual increase of the activity rate of that site that has taken over a part of the transferred production amounts to a total of at least 50 % of the annual-average production amount of the whole transferred production of the ceased site in the year 2020.*

*The proof after sentence 1 is to be given for the first time in the following year after the application of the transfer. If the proof necessary after sentence 1 is not given in time, the allocation for the transferred production whose production activity was ceased will be recanted in that amount for the future.'*

Or. en

#### *Justification*

*In some sectors site closure will not result in less demand of allocation because capacity will/can be transferred to facilities of the same operator that require these allowances for their increased production. This characterises seasonal business: the production of a certain site can be increased only by increasing the campaign length e.g. from 90 to 120 or 140 days a year without increasing the technical capacity. Therefore a regulation is needed to transfer allowances from closed sites to operating sites, to keep in a way connected with the ongoing transferred production amount.*

#### **Amendment 446**

**Jytte Guteland, Matthias Groote, Soledad Cabezón Ruiz, Jo Leinen, Giorgos**

**Grammatikakis, Seb Dance, Carlos Zorrinho, José Blanco López, Simona Bonafè, Massimo Paolucci, Damiano Zoffoli, Renata Briano, Elena Gentile, Christel Schaldemose, Nicola Caputo, Gilles Pargneaux**

**Proposal for a directive**

**Article 1 – point 5 – point i a (new)**

Directive 2003/87/EC

Article 10a – paragraph 19

*Present text*

'No free allocation shall be given to an installation that has ceased its operations, unless the operator demonstrates to the competent authority that this installation will resume production within a specified and reasonable time. Installations for which the greenhouse gas emissions permit has expired or has been withdrawn and installations for which the operation or resumption of operation is technically impossible shall be considered to have ceased operations.'

*Amendment*

**(ia) paragraph 19 is replaced by the following:**

'No free allocation shall be given to an installation that has ceased its operations, unless the operator demonstrates to the competent authority that this installation will resume production within a specified and reasonable time. Installations for which the greenhouse gas emissions permit has expired or has been withdrawn and installations for which the operation or resumption of operation is technically impossible shall be considered to have ceased operations.'

***Where an operator fails to demonstrate to the competent authority that an installation will resume production within a given specified and reasonable time, it shall be subject to a penalty in accordance with Article 16.'***

Or. en

**Amendment 447**

**Ivo Belet, Michel Dantin, Francesc Gambús, Françoise Grossetête, Peter Liese, Alojz Peterle, Annie Schreijer-Pierik**

**Proposal for a directive**

**Article 1 – point 5 – point i b (new)**

Directive 2003/87/EC

Article 10a – paragraph 20

*Present text*

*Amendment*

**(ib) paragraph 20 is replaced by the**

'The Commission shall, as part of the measures adopted under paragraph 1, include measures for defining installations that partially cease to operate or significantly reduce their capacity, and measures for adapting, as appropriate, the level of free allocations given to them accordingly.'

*following:*

'The Commission shall, as part of the measures adopted under paragraph 1, include measures for defining installations that partially cease to operate or significantly reduce their capacity, and measures for adapting, as appropriate, the level of free allocations given to them accordingly.'

***Those measures shall provide flexibility for industry sectors where capacity is regularly transferred between operating installations in the same company.'***

Or. en

#### *Justification*

*In some industry sectors capacity can be transferred between operating facilities (of the same operator). This is a characteristic of seasonal business where the production of a certain site can be increased by increasing the length of operation. Flexibility is needed to enable regular transfers of allowances between different operating sites.*

#### **Amendment 448**

**Ivo Belet, Pilar Ayuso, Francesc Gambús, Krišjānis Kariņš, Peter Liese, Alojz Peterle, Annie Schreijer-Pierik**

#### **Proposal for a directive**

#### **Article 1 – point 5 – point i b (new)**

Directive 2003/87/EC

Article 10a – paragraph 20

#### *Present text*

'The Commission shall, as part of the measures adopted under paragraph 1, include measures for defining installations that partially cease to operate or significantly reduce their capacity, and measures for adapting, as appropriate, the level of free allocations *given to them accordingly*.'

#### *Amendment*

***(ib) paragraph 20 is replaced by the following:***

'The Commission shall, as part of the measures adopted under paragraph 1, include measures for defining installations that partially cease to operate or significantly reduce ***or increase*** their capacity ***or their production by more than 10% (expressed as the rolling average of verified production data for the two preceding years compared to the***

*production activity reported in accordance with Article 11), and measures for adapting, as appropriate, the level of free allocations.'*

Or. en