Amendment 186
Malin Björk, Marisa Matias, José Gusmão, Nikolaj Villumsen, Mick Wallace, Clare Daly
on behalf of The Left Group

Report
Mohammed Chahim
Carbon border adjustment mechanism
(COM(2021)0564 – C9-0328/2021 – 2021/0214(COD))

Proposal for a regulation
Recital 12 a (new)

Text proposed by the Commission

(12 a) In order to help fulfil the Union’s commitments in line with the Paris Agreement, revenues earned from the sale of CBAM certificates should be assigned to support the efforts of least developed countries and countries in the Global South towards the decarbonisation of their industries.

Amendment

Or. en
Amendment 187
Malin Björk, Clare Daly, Mick Wallace, Nikolaj Villumsen
on behalf of The Left Group

Report
Mohammed Chahim
Carbon border adjustment mechanism
(COM(2021)0564 – C9-0328/2021 – 2021/0214(COD))

Proposal for a regulation
Recital 55

Text proposed by the Commission

(55) As the CBAM aims to encourage cleaner production processes, the EU stands ready to work with low and middle-income countries towards the decarbonisation of their manufacturing industries. Moreover, the Union should support less developed countries with the necessary technical assistance in order to facilitate their adaptation to the new obligations established by this regulation.

Amendment

(55) As the CBAM aims to encourage cleaner production processes, the EU stands ready to work with low and middle-income countries towards the decarbonisation of their manufacturing industries. Moreover, the Union should support less developed countries with the necessary technical assistance in order to facilitate their adaptation to the new obligations established by this regulation. While the revenues generated by the sale of CBAM certificates will enter the Union budget as general income and should not be assigned to any specific Union budget expenditure, in light of the universality principle governing the Union budget, the Union should finance least developed countries' efforts towards the decarbonisation of their manufacturing industries with an annual amount corresponding at least to the level of revenues generated by the sale of CBAM certificates. Such funding should be provided through the financial support provided by the Union to international climate finance and the relevant geographic programmes and the thematic programme Global Challenges of the Neighbourhood, Development and International Cooperation Instrument established by Regulation (EU) 2021/947 of the European Parliament and of the Council1a, in addition to existing NDICI budgetary appropriations. The necessary
adjustments to the budgetary appropriation of that instrument should be made through the Union annual budgetary procedure until 2027 and then included in the next multiannual financial framework.

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Or. en
Amendment 188
Malin Björk, José Gusmão, Marisa Matias, Clare Daly, Mick Wallace, Nikolaj Villumsen
on behalf of The Left Group

Report
Mohammed Chahim
Carbon border adjustment mechanism
(COM(2021)0564 – C9-0328/2021 – 2021/0214(COD))

Proposal for a regulation
Recital 55 a (new)

Text proposed by the Commission

(55 a) The revenues generated by the sale of CBAM certificates should be channelled to the least developed countries to finance climate adaptation and mitigation, including supporting the decarbonisation of their industries; revenues should be allocated to the UN climate funds, to a dedicated climate fund as part of the Union's development aid and used to reinforce climate spending in the Union budget's Instrument for Pre-Accession Assistance III and the Global Europe Instrument’s relevant geographic and thematic programmes.

Or. en
Amendment 189
Malin Björk, Marisa Matias, José Gusmão, Nikolaj Villumsen, Clare Daly, Mick Wallace
on behalf of The Left Group

Report
Mohammed Chahim
Carbon border adjustment mechanism
(COM(2021)0564 – C9-0328/2021 – 2021/0214(COD))

Proposal for a regulation
Article 24 a (new)

Text proposed by the Commission

Amendment

Article 24 a

Revenues generated by the sale of CBAM certificates

1. The revenues generated by the sale of CBAM certificates shall constitute internal assigned revenue in accordance with Article 21(3) of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council. They shall be assigned to cover the costs of the operation and maintenance of the CBAM authority. Any revenue remaining after covering those costs shall be assigned to finance the decarbonisation of manufacturing industries in least developed countries and to contribute to other international climate financing instruments, in addition to existing NDICI budgetary appropriations.

2. To meet Union objectives and international commitments, such as those under WTO agreements and the Paris Agreement, financial support shall be provided to support least developed countries’ efforts towards the decarbonisation of their manufacturing industries, and to reinforce the Union contribution to international climate finance for adaptation (UNFCCC Adaptation Fund) and a specific new fund in the Neighborhood, Development and International Cooperation Instrument to
support the low- and middle-income countries that are most affected by the CBAM. The new financial support should comply with the development effectiveness principles, should be additional to existing aid and shall be at least equivalent in financial value to the revenues generated by the sale of CBAM certificate.

3. To ensure transparency of the use of revenues generated by the sale of CBAM certificates the Commission shall, on a yearly basis, report to the European Parliament and to the Council on how the equivalent in financial value of those revenues from the previous year has been used and how this has contributed to the decarbonisation of industries in least developed countries and in tackling climate change in the developing countries.

Amendment 190
Malin Björk, Nikolaj Villumsen, Mick Wallace, Clare Daly, Petros Kokkalis
on behalf of The Left Group

Report
Mohammed Chahim
Carbon border adjustment mechanism
(COM(2021)0564 – C9-0328/2021 – 2021/0214(COD))

Proposal for a regulation
Article 31 – paragraph 1 a (new)

Text proposed by the Commission

1 a. No free allocation shall be given in relation to the production in the Union of goods listed in Annex I as from the date of application of the CBAM, as referred to in Article 36(3).

By way of derogation from the first subparagraph of this paragraph, until 31 December 2027, the production of those goods shall benefit from free allocation in reduced amounts. A CBAM factor reducing the allocation for the production of those goods shall be applied. The CBAM factor shall be equal to 100 % for the period from 1 January 2023 until 31 December 2024, 60 % in 2025, 30 % in 2026 and reach 0 % in 2027.

The reduction of free allocation shall be calculated annually as the average share of the demand for free allocation for the production of goods listed in Annex I compared to the calculated total free allocation demand for all installations, for the relevant period referred to in Article 11(1) of Directive 2003/87/EC. The CBAM factor shall be applied.

Amendment

1 a. No free allocation shall be given in relation to the production in the Union of goods listed in Annex I as from the date of application of the CBAM, as referred to in Article 36(3).

By way of derogation from the first subparagraph of this paragraph, until 31 December 2027, the production of those goods shall benefit from free allocation in reduced amounts. A CBAM factor reducing the allocation for the production of those goods shall be applied. The CBAM factor shall be equal to 100 % for the period from 1 January 2023 until 31 December 2024, 60 % in 2025, 30 % in 2026 and reach 0 % in 2027.

The reduction of free allocation shall be calculated annually as the average share of the demand for free allocation for the production of goods listed in Annex I compared to the calculated total free allocation demand for all installations, for the relevant period referred to in Article 11(1) of Directive 2003/87/EC. The CBAM factor shall be applied.
Amendment 191
Malin Björk, Marisa Matias, José Gusmão, Nikolaj Villumsen, Mick Wallace, Clare Daly, Petros Kokkalis
on behalf of The Left Group

Report
Mohammed Chahim
Carbon border adjustment mechanism
(COM(2021)0564 – C9-0328/2021 – 2021/0214(COD))

Proposal for a regulation
Article 31 – paragraph 2 a (new)

Text proposed by the Commission

2 a. Allowances resulting from the reduction of free allocation shall be auctioned and the revenues earned from the auction shall be assigned to support the efforts of least developed countries and countries in the Global South towards the decarbonisation of their industries, inter alia through the financial mechanism of the United Nations Framework Convention on Climate Change (UNFCCC).

Amendment

Or. en