



Plenary sitting

A9-0163/2022

24.5.2022

*****I**
REPORT

on the proposal for a regulation of the European Parliament and of the Council Amending Regulation (EU) 2018/842 on binding annual greenhouse gas emission reductions by Member States from 2021 to 2030 contributing to climate action to meet commitments under the Paris Agreement (COM(2021)0555 – C9-0321/2021 – 2021/0200(COD))

Committee on the Environment, Public Health and Food Safety

Rapporteur: Jessica Polfjärd

Symbols for procedures

- * Consultation procedure
- *** Consent procedure
- ***I Ordinary legislative procedure (first reading)
- ***II Ordinary legislative procedure (second reading)
- ***III Ordinary legislative procedure (third reading)

(The type of procedure depends on the legal basis proposed by the draft act.)

Amendments to a draft act

Amendments by Parliament set out in two columns

Deletions are indicated in ***bold italics*** in the left-hand column. Replacements are indicated in ***bold italics*** in both columns. New text is indicated in ***bold italics*** in the right-hand column.

The first and second lines of the header of each amendment identify the relevant part of the draft act under consideration. If an amendment pertains to an existing act that the draft act is seeking to amend, the amendment heading includes a third line identifying the existing act and a fourth line identifying the provision in that act that Parliament wishes to amend.

Amendments by Parliament in the form of a consolidated text

New text is highlighted in ***bold italics***. Deletions are indicated using either the **■** symbol or strikeout. Replacements are indicated by highlighting the new text in ***bold italics*** and by deleting or striking out the text that has been replaced.

By way of exception, purely technical changes made by the drafting departments in preparing the final text are not highlighted.

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DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION

on the proposal for a regulation of the European Parliament and of the Council Amending Regulation (EU) 2018/842 on binding annual greenhouse gas emission reductions by Member States from 2021 to 2030 contributing to climate action to meet commitments under the Paris Agreement (COM(2021)0555 – C9-0321/2021 – 2021/0200(COD))

(Ordinary legislative procedure: first reading)

The European Parliament,

- having regard to the Commission proposal to Parliament and the Council (COM(2021)0555),
 - having regard to Article 294(2) and Article 192(1) of the Treaty on the Functioning of the European Union, pursuant to which the Commission submitted the proposal to Parliament (C9-0321/2021),
 - having regard to Article 294(3) of the Treaty on the Functioning of the European Union,
 - having regard to the opinion of the European Economic and Social Committee of 8 December 2021¹,
 - having regard to the opinion of the Committee of the Regions of xxx²,
 - having regard to Rules 59 of its Rules of Procedure,
 - having regard to the opinions of the Committee on Transport and Tourism, the Committee on Regional Development and the Committee on Agriculture and Rural Development, ,
 - having regard to the report of the Committee on the Environment, Public Health and Food Safety (A9-0163/2022),
1. Adopts its position at first reading hereinafter set out;
 2. Calls on the Commission to refer the matter to Parliament again if it replaces, substantially amends or intends to substantially amend its proposal;
 3. Instructs its President to forward its position to the Council, the Commission and the national parliaments.

Amendment 1

Proposal for a regulation

¹ Not yet published in the Official Journal.

² Not yet published in the Official Journal.

Recital 1

Text proposed by the Commission

(1) The Paris Agreement, adopted in December 2015 under the United Nations Framework Convention on Climate Change (UNFCCC), entered into force in November 2016 (“the Paris Agreement”). Its Parties have agreed to hold the increase in the global average temperature well below 2 °C above pre-industrial levels and to pursue efforts to limit the temperature increase to 1,5 °C above pre-industrial levels.

Amendment

(1) The Paris Agreement, adopted in December 2015 under the United Nations Framework Convention on Climate Change (UNFCCC), entered into force in November 2016 (“the Paris Agreement”). Its Parties have agreed to hold the increase in the global average temperature well below 2 °C above pre-industrial levels and to pursue efforts to limit the temperature increase to 1,5 °C above pre-industrial levels, ***while being guided by, inter alia, the principles of equity and of common but differentiated responsibilities and respective capabilities. By adopting the Glasgow Climate Pact in November 2021, the Parties to the Paris Agreement recognised that keeping the increase in the global average temperature to 1,5 °C would significantly reduce the risks and impacts of climate change, and committed to strengthen their 2030 targets by the end of 2022.***

Amendment 2

Proposal for a regulation

Recital 1 a (new)

Text proposed by the Commission

Amendment

(1a) The need for action to reduce emissions is becoming increasingly urgent, as stated by the Intergovernmental Panel on Climate Change (IPCC) in its latest reports of 7 August 2021 entitled 'Climate change 2021: The Physical Science Basis' and of 28 February 2022 entitled 'Climate Change 2022: Impacts, Adaptation and Vulnerability'. The IPCC stated, with a very high level of confidence, that climate change is a threat to human well-being and planetary health and that any further delay in concerted anticipatory global action on adaptation

and mitigation will miss a brief and rapidly closing window of opportunity to secure a liveable and sustainable future for all. The IPCC provides new estimates of the chances of crossing the global warming level of 1,5 °C in the coming decades, and finds that unless there are immediate, rapid and large-scale reductions in greenhouse gas emissions, limiting global warming to close to 1,5 °C or even 2 °C will be beyond reach. The Union should therefore address that urgency by stepping up its efforts and establishing itself as an international leader in the fight against climate change.

Amendment 3

Proposal for a regulation

Recital 3

Text proposed by the Commission

(3) The European Green Deal³¹ combines a comprehensive set of mutually reinforcing measures and initiatives aimed at achieving climate neutrality in the Union by 2050, and sets out a new growth strategy that aims to transform the Union into a fair and prosperous society, with a modern, resource-efficient and competitive economy, *where economic growth is decoupled from resource use*. It also aims to protect, conserve and enhance the Union's natural capital, and protect the health and well-being of citizens from environment-related risks and impacts. At the same time, this transition affects *women and men* differently and has a particular impact on some disadvantaged groups, such as older people, persons with disabilities and persons with a minority racial or ethnic background. It must therefore be ensured that the transition is just and inclusive, leaving no one behind.

Amendment

(3) The European Green Deal³¹ provides a starting point for the achievement of the Union's climate-neutrality objective by 2050 at the latest and the aim to achieve negative emissions thereafter laid down in Article 2(1) of Regulation (EU) 2021/1119 of the European Parliament and of the Council^{31a}. It combines a comprehensive set of mutually reinforcing measures and initiatives aimed at achieving climate neutrality in the Union by 2050 at the latest, and sets out a new growth strategy that aims to transform the Union into a fair and prosperous society, with a modern, resource-efficient and competitive economy. It also aims to protect, conserve and enhance the Union's natural capital, and protect the health and well-being of citizens from environment-related risks and impacts. At the same time, this transition affects all genders differently and has a particular impact on some disadvantaged groups, such as older people, persons with disabilities, persons suffering from energy

or transport poverty, and persons with a minority racial or ethnic background. The transition also affects Member States and regions differently. It must therefore be ensured that the transition is just and inclusive, leaving no one behind.

³¹ Commission Communication - The European Green Deal, COM(2019) 640 final of 11 December 2019.

³¹ Commission Communication - The European Green Deal, COM(2019) 640 final of 11 December 2019.

^{31a} *Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving climate neutrality and amending Regulations (EC) No 401/2009 and (EU) 2018/1999 ('European Climate Law') (OJ L 243, 9.7.2021, p. 1).*

Amendment 4

Proposal for a regulation Recital 3 a (new)

Text proposed by the Commission

Amendment

(3a) To be socially acceptable the climate ambition set out in this Regulation should be matched by an equivalent social ambition. The increased level of ambition implies substantial changes in the affected sectors which might have social and labour impacts. The revised emission reduction targets need to be accompanied by sufficient financial and policy measures to guarantee that those targets can be met in a socially fair way. The measures can include, inter alia, carrying out employment impact assessments which evaluate the impact on jobs and working conditions both at national and regional levels as well as allocating national and Union resources to fund social adaptation measures and quality job-creation, gender equality, life-long learning, vocational

training and social protection and to ensure effective collective bargaining. It is also important that there is timely consultation and effective involvement of national social partners in the sectors covered by Article 2 of this Regulation with regard to the development and implementation of national measures implementing this Regulation.

Amendment 5

Proposal for a regulation Recital 3 b (new)

Text proposed by the Commission

Amendment

(3b) The transition to a Union economy compatible with target of climate neutrality by 2050 at the latest could furthermore have a particular impact on certain economic sectors, especially vulnerable micro, small and medium enterprises in those sectors. When implementing this Regulation, it is important that Member States create an enabling environment for those enterprises to transition to practices that entail fewer and gradually no greenhouse gas emissions.

Amendment 6

Proposal for a regulation Recital 3 c (new)

Text proposed by the Commission

Amendment

(3c) The United Nations Environment Programme and the OECD Global Forum on Environment have concluded that environmental changes have gender-specific impact. Gender-differentiated roles also result in differentiated vulnerabilities for all genders in relation to the effects of climate change, and climate change impacts exacerbate gender

inequalities.

Amendment 7

Proposal for a regulation

Recital 4

Text proposed by the Commission

(4) In Regulation (EU) 2021/1119 of the European Parliament and of the Council³² ('European Climate Law'), the Union has enshrined into legislation the target of economy-wide climate neutrality by 2050. That Regulation also establishes a binding Union domestic reduction commitment of net greenhouse gas emissions (emissions after deduction of removals) of at least 55% below 1990 levels by 2030.

³² Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving climate neutrality and amending Regulations (EC) No 401/2009 and (EU) 2018/1999 ('European Climate Law') (OJ L 243, 9.7.2021, p. 1).

Amendment

(4) In Regulation (EU) 2021/1119 of the European Parliament and of the Council³² ('European Climate Law'), the Union has enshrined into legislation the target of economy-wide climate neutrality by 2050 ***at the latest and the aim to achieve negative emissions thereafter.*** That Regulation also establishes a binding Union domestic reduction commitment of net greenhouse gas emissions (emissions after deduction of removals) of at least 55% below 1990 levels by 2030. ***Furthermore, it establishes that when implementing the target, swift and predictable emission reductions are to be given priority and, at the same time, removals by natural sinks are to be enhanced. The contribution of net removals to the 2030 target is limited to 225 million tonnes of CO₂ equivalent, while the rest of the target has to be achieved through direct emissions reductions.***

³² Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving climate neutrality and amending Regulations (EC) No 401/2009 and (EU) 2018/1999 ('European Climate Law') (OJ L 243, 9.7.2021, p. 1).

Amendment 8

Proposal for a regulation

Recital 5

Text proposed by the Commission

(5) In order to implement those commitments as well as the **Union's** contributions under the Paris Agreement³³ adopted under the UNFCCC, the Union regulatory framework to achieve the greenhouse gas emission reduction target should be adapted.

³³ Paris Agreement (OJ L 282, 19.10.2016, p. 4).

Amendment

(5) In order to implement those commitments as well as the **nationally determined Union** contributions under the Paris Agreement³³ adopted under the UNFCCC, the Union regulatory framework to achieve the greenhouse gas emission reduction target should be adapted.

³³ Paris Agreement (OJ L 282, 19.10.2016, p. 4).

Amendment 9

Proposal for a regulation

Recital 7

Text proposed by the Commission

(7) While emissions trading will also apply to greenhouse gas emissions from road and maritime transport as well as buildings, the scope of Regulation (EU) 2018/842 will be maintained. Regulation (EU) 2018/842 will therefore continue applying to the greenhouse gas emissions from domestic navigation, but not to those from international navigation. Greenhouse gas emissions of a Member State within the scope of Regulation (EU) 2018/842 to be taken into account for compliance checks will continue to be determined upon completion of inventory reviews in accordance with Regulation (EU) 2018/1999 of the European Parliament and the Council³⁴.

³⁴ Regulation (EU) 2018/1999 of the European Parliament and of the Council of 11 December 2018 on the Governance of the Energy Union and Climate Action, amending Regulations (EC) No 663/2009

Amendment

(7) While emissions trading may also apply to greenhouse gas emissions from road and maritime transport as well as buildings, the scope of Regulation (EU) 2018/842 will be maintained. Regulation (EU) 2018/842 will therefore continue applying to the greenhouse gas emissions from domestic navigation, but not to those from international navigation. Greenhouse gas emissions of a Member State within the scope of Regulation (EU) 2018/842 to be taken into account for compliance checks will continue to be determined upon completion of inventory reviews in accordance with Regulation (EU) 2018/1999 of the European Parliament and the Council³⁴. **However, the emissions of some sectors in past years have either increased or remained stable.**

³⁴ Regulation (EU) 2018/1999 of the European Parliament and of the Council of 11 December 2018 on the Governance of the Energy Union and Climate Action, amending Regulations (EC) No 663/2009

and (EC) No 715/2009 of the European Parliament and of the Council, Directives 94/22/EC, 98/70/EC, 2009/31/EC, 2009/73/EC, 2010/31/EU, 2012/27/EU and 2013/30/EU of the European Parliament and of the Council, Council Directives 2009/119/EC and (EU) 2015/652 and repealing Regulation (EU) No 525/2013 of the European Parliament and of the Council (OJ L 328, 21.12.2018, p. 1).

and (EC) No 715/2009 of the European Parliament and of the Council, Directives 94/22/EC, 98/70/EC, 2009/31/EC, 2009/73/EC, 2010/31/EU, 2012/27/EU and 2013/30/EU of the European Parliament and of the Council, Council Directives 2009/119/EC and (EU) 2015/652 and repealing Regulation (EU) No 525/2013 of the European Parliament and of the Council (OJ L 328, 21.12.2018, p. 1).

Amendment 10

Proposal for a regulation

Recital 9

Text proposed by the Commission

(9) In its conclusions of 11 December 2020 the European Council mentioned that the 2030 target will be delivered collectively by the Union in the most cost-effective manner possible, that all Member States will participate in this effort, taking into account considerations of fairness and solidarity, while leaving no one behind, and that the new 2030 target needs to be achieved in a way that preserves the Union's competitiveness and takes account of Member States' different starting points and specific national circumstances and emission reduction potential, including those of island Member States and islands, as well as efforts made.

Amendment

(9) In its conclusions of 11 December 2020 the European Council mentioned that the 2030 target will be delivered collectively by the Union in the most cost-effective manner possible, that all Member States will participate in this effort, taking into account considerations of fairness and solidarity, while leaving no one behind, and that the new 2030 target needs to be achieved in a way that preserves the Union's competitiveness and takes account of Member States' different starting points, ***emission reductions already achieved***, and specific national circumstances and emission reduction potential, including those of island Member States and islands, as well as efforts made.

Amendment 11

Proposal for a regulation

Recital 9 a (new)

Text proposed by the Commission

Amendment

(9a) Beyond 2030, it is necessary that the Union and each Member State reach the Union-wide climate-neutrality objective by 2050 at the latest with the aim

to achieve negative emissions thereafter. Regulation (EU) 2018/842 should ensure that all Member States are brought on emissions trajectories, and adopt concrete long-term policies, that lead to the accomplishment of that objective.

Amendment 12

Proposal for a regulation

Recital 10

Text proposed by the Commission

(10) In order to achieve the target of reducing greenhouse gas emissions by 55%, *the* sectors covered by Regulation (EU) 2018/842 will need to reduce their emissions progressively until they reach -40% in 2030, compared to 2005 levels.

Amendment

(10) In order to ***implement the Union's commitments under the Paris Agreement and*** achieve the target of reducing greenhouse gas emissions by ***at least*** 55%, ***all*** sectors covered by Regulation (EU) 2018/842 will need to reduce their emissions progressively until they reach -40% in 2030, compared to 2005 levels.

Amendment 13

Proposal for a regulation

Recital 11

Text proposed by the Commission

(11) For that purpose, the greenhouse gas emission reduction target for 2030 needs to be revised for each Member State. The revision of the greenhouse gas emission reduction target ***should use*** the same methodology that was followed when Regulation (EU) 2018/842 was first adopted, where the national contributions were determined in consideration of the different capacities and cost-efficiency opportunities in Member States so to ensure a fair and balanced distribution of the effort. The reduction of the maximum greenhouse gas emissions for each Member State in 2030 should thus be determined in relation to the level of its 2005 reviewed greenhouse gas emissions covered by this

Amendment

(11) For that purpose, the greenhouse gas emission reduction target for 2030 needs to be revised for each Member State. The revision of the greenhouse gas emission reduction target ***uses*** the same methodology that was followed when Regulation (EU) 2018/842 was first adopted, where the national contributions were determined in consideration of the different capacities and cost-efficiency opportunities in Member States so to ensure a fair and balanced distribution of the effort. ***The distribution of Member State targets nevertheless do not converge, which should be considered when evaluating how the national targets contribute to the objective of climate***

Regulation, excluding verified greenhouse gas emissions from installations that operated in 2005 and which were only included in the emission trading system of the Union after 2005.

neutrality by 2050 at the latest in a cost-effective and fair manner. The reduction of the maximum greenhouse gas emissions for each Member State in 2030 should thus be determined in relation to the level of its 2005 reviewed greenhouse gas emissions covered by this Regulation, excluding verified greenhouse gas emissions from installations that operated in 2005 and which were only included in the emission trading system of the Union after 2005.

Amendment 14

Proposal for a regulation Recital 11 a (new)

Text proposed by the Commission

Amendment

(11a) The communication of the Commission of 14 October 2020 on an EU strategy to reduce methane emissions highlighted that methane is a powerful greenhouse gas, second only to carbon dioxide in its overall contribution to climate change. On a molecular level, methane is more powerful than carbon dioxide. Although methane remains for a shorter time in the atmosphere than carbon dioxide, it has a significant effect on the climate. In September 2021, the Union and the United States announced the Global Methane Pledge, to which more than 100 countries in total have since joined. The signatories of the pledge aim to achieve by 2030 the collective goal of reducing global methane emissions by at least 30 % from 2020 levels and enhance reporting standards. Methane, nitrous oxide and so-called F-gases together account for over 20 % of the Union's greenhouse gas emissions. Given those commitments and the short-lived nature of many of those greenhouse gases, it is appropriate to lay down one or more Union targets for all non-CO₂ greenhouse gas emissions in all sectors.

Amendment 15

Proposal for a regulation Recital 13

Text proposed by the Commission

(13) The COVID-19 pandemic has impacted the Union's economy and its level of emissions to a degree that cannot yet be fully quantified. On the other hand, the Union is deploying its largest stimulus package ever, also having a potential impact on the level of emissions. Due to those uncertainties, it is appropriate to review the emissions data in 2025 and, if necessary, readjust the annual emission allocations.

Amendment

(13) The COVID-19 pandemic has impacted the Union's economy and its level of emissions to a degree that cannot yet be fully quantified. On the other hand, the Union is deploying its largest stimulus package ever, aiming to ensure a green recovery while also having a potential impact on the level of emissions. It is appropriate to maintain a stable, predictable and ambitious regulatory ***emissions*** pathway throughout the ongoing decade in order to ensure both the ***necessary*** emissions reductions and planning security.

Amendment 16

Proposal for a regulation Recital 14

Text proposed by the Commission

(14) It is therefore appropriate to update in 2025 the annual emission allocations for the years 2026 to 2030. This should be based on a comprehensive review of the national inventory data carried out by the Commission in order to determine the average of the greenhouse gas emissions of each Member State during the years 2021, 2022 and 2023.

Amendment

deleted

Amendment 17

Proposal for a regulation Recital 14 a (new)

(14a) In accordance with Regulation (EU) 2021/1119, priority should be given to reductions in direct emissions, which will have to be complemented by increased CO₂ removals in order to achieve climate neutrality. Regulation (EU) 2021/1119 recognises that carbon sinks include natural and technological solutions. The role of technological solutions for carbon removal has also been addressed in several reports of the Intergovernmental Panel on Climate Change, in particular in the Working Group III contribution to the Sixth Assessment Report. It is important that a Union scheme for the certification of safely and permanently stored carbon removals through technological solutions is put in place, offering clarity for Member States and market operators to enhance such removals. When such a certification scheme is in force, an analysis can be made about the accounting of such removals under Union law, including whether the accounting of such removals affects the emissions covered by Regulation (EU) 2018/842, in full respect of conditions set out in Article 4(1) of Regulation (EU) 2021/1119. Such removals are additional and do not offset the necessary reductions in emissions in accordance with the Union climate targets laid down in Regulation (EU) 2021/1119.

Amendment 18

Proposal for a regulation Recital 15

Text proposed by the Commission

(15) Under Regulation (EU) 2018/842, the cancellation of a limited quantity of emission allowances in the European Union emission trading system may be

Amendment

(15) Under Regulation (EU) 2018/842, the cancellation of a limited quantity of emission allowances in the European Union emission trading system may be

taken into account for some Member States' compliance under Regulation (EU) 2018/842. Given the particular structure of Malta's economy, the national reduction target of that Member State based on Gross Domestic Product per capita is significantly above its cost-effective reduction potential, is *is* therefore appropriate to increase Malta's access to that flexibility, without compromising the 2030 target of the Union on emission reductions.

taken into account for some Member States' compliance under Regulation (EU) 2018/842. Given the particular structure of Malta's economy, the national reduction target of that Member State based on Gross Domestic Product per capita is significantly above its cost-effective reduction potential, is therefore appropriate to increase Malta's access to that flexibility, without compromising the 2030 target of the Union on emission reductions. The Member States entitled to this flexibility but which did not make use of it in the 2019 context of Regulation (EU) 2018/842, should be given the possibility to revise that decision to take account of the newly proposed national reduction targets. The Member States concerned should also be allowed to revise their notified percentages more often.

Amendment 19

Proposal for a regulation Recital 16 a (new)

Text proposed by the Commission

Amendment

(16a) In order to ensure and incentivise compliance by Member States with respect to their minimum contributions for the period from 2021 to 2030 under Regulation (EU) 2018/842 as amended, corrective actions should be strengthened and more closely connected to the integrated national energy and climate plans under Regulation (EU) 2018/1999. If a Member State exceeds its annual emission allocations during two successive years, that Member State should revise its integrated national energy and climate plan submitted to it in accordance with Regulation (EU) 2018/1999, while giving the public a possibility to participate in the process.

Amendment 20

Proposal for a regulation Recital 16 b (new)

Text proposed by the Commission

Amendment

(16b) The Union and the Member States are parties to the United Nations Economic Commission for Europe (UNECE) Convention on Access to Information, Public Participation in Decision-making and Access to Justice in Environmental Matters ('the Aarhus Convention') 1a. Public scrutiny and access to justice are an essential part of the democratic values of the Union and a tool to safeguard the rule of law. In the communication of the Commission of 14 October 2020 on improving access to justice in environmental matters in the EU and its Member States', the Commission recognised that access to justice is not guaranteed in all Member States and called on the Council and the European Parliament to introduce explicit access to justice provisions in sectoral legislation. It is therefore appropriate to lay down a provision to ensure the public's access to justice for the actions implementing Regulation (EU) 2018/842 as amended.

^{1a} OJ L 124, 17.5.2005, p. 4.

Amendment 21

Proposal for a regulation Recital 16 c (new)

Text proposed by the Commission

Amendment

(16c) In order to achieve the objectives under Regulation (EU) 2018/842 as amended and other Union legislation, particularly those under Regulation (EU) 2021/1119, the Union and its Member

States should make use of the latest science while implementing policies. The advice of the European Scientific Advisory Board on Climate Change, established by Article 3 of Regulation (EU) 2021/1119, should therefore be considered throughout Regulation (EU) 2018/842 as amended, as appropriate.

Amendment 22

Proposal for a regulation Recital 18

Text proposed by the Commission

Amendment

(18) The setting of more ambitious targets under Regulation (EU) 2018/841 will decrease the capacity of Member States to generate net removals that can be used for compliance under Regulation (EU) 2018/842. In addition, the split of the use of the LULUCF flexibility into two separate time periods, will further limit the availability of net removals for the purpose of compliance with Regulation (EU) 2018/842. As a result, some Member States may face challenges in meeting their targets under Regulation (EU) 2018/842, while some Member States, the same or other, may generate net removals that cannot be used for compliance with Regulation (EU) 2018/842. As long as the Union objectives as set out in Article 3 of Regulation (EU) 2021/1119 are met, in particular with regard to the maximum limit of the contribution of net removals, it is appropriate to create a new voluntary mechanism, in the form of an additional reserve, that will help adhering Member States to comply with their obligations.

deleted

Amendment 23

Proposal for a regulation Recital 18 a (new)

Text proposed by the Commission

Amendment

(18a) Given the long-term dimension of effective climate protection set out in Regulation (EU) 2021/1119 and the Union’s commitment to the objectives of the Paris Agreement, clarity about Member States’ individual long-term reduction pathways beyond 2030 would allow for more accurate policy planning. It is therefore appropriate to include a process setting national reduction pathways for each Member State for climate neutrality by 2050 at the latest.

Amendment 24

Proposal for a regulation

Article 1 – paragraph 1 – point -1 (new)

Regulation (EU) 2018/842

Title

Present text

Amendment

Regulation (EU) 2018/842 of the European Parliament and of the Council of 30 May 2018 on binding annual greenhouse gas emission reductions by Member States from 2021 to 2030 contributing to climate action to meet commitments under the Paris Agreement and amending Regulation (EU) No 525/2013

(-1) The title is replaced by the following:

‘Regulation (EU) 2018/842 of the European Parliament and of the Council of 30 May 2018 on binding annual greenhouse gas emission reductions by Member States from 2021 to 2030 **and beyond** contributing to climate action to meet commitments under the Paris Agreement and amending Regulation (EU) No 525/2013 ’

Justification

The title should clearly communicate that this Regulation does not only cover the time until 2030 but goes beyond.

Amendment 25

Proposal for a regulation

Article 1 – paragraph 1 – point 1

PE703.217v02-00

20/112

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Text proposed by the Commission

(1) **In** Article 1, “30%” is replaced by “40%”;

Amendment

(1) Article 1 is replaced by **the following:**

‘This Regulation lays down obligations on Member States with respect to their minimum contributions for the period from 2021 to 2030 towards fulfilling the Union’s target of reducing its greenhouse gas emissions by 40 % below 2005 levels in 2030 in the sectors covered by Article 2 of this Regulation. It contributes to the long-term target of climate neutrality in the Union by 2050 at the latest, with the aim to achieve negative emissions thereafter. It thereby contributes to achieving the objectives of Regulation (EU) 2021/1119 and the Paris Agreement. This Regulation also lays down rules on determining annual emission allocations and for the evaluation of Member States’ progress towards meeting their minimum contributions and paves the way for the setting of post-2030 Union’s greenhouse gas emissions reduction targets in the sectors covered by Article 2 of this Regulation.’

(32018R0842)

Amendment 26

Proposal for a regulation

Article 1 – paragraph 1 – point 2 a (new)

Regulation (EU) 2018/842

Article 2 – paragraph 1a (new)

Text proposed by the Commission

Amendment

(2a) **In Article 2, the following paragraph is inserted:**

‘1a. For the purpose of this Regulation, only biofuels, bioliquids, and biomass fuels which comply with the

sustainability and greenhouse gas emission savings criteria established by Directive (EU) 2018/2001 of the European Parliament and of the Council^{1a} can be considered to have zero emissions. If the share of biofuels and bioliquids, as well as the share of biomass fuels consumed in transport, that is produced from food and feed crops is higher than the maximum share established in Article 26 of Directive (EU) 2018/2001, those fuels and liquids shall not be considered to have zero emissions for the purpose of this Regulation. By January 2024, the Commission shall, where appropriate, present to the European Parliament and the Council a legislative proposal to amend the rules concerning the greenhouse gas emissions determination and reporting requirements enshrined in the Regulation (EU) 2018/1999 pursuant to this Article.’

^{1a} Directive (EU) 2018/2001 of the European Parliament and of the Council of 11 December 2018 on the promotion of the use of energy from renewable source (OJ L 328, 21.12.2018, p. 82).

Justification

Per unit of energy, biomass-burning installations emit more carbon dioxide than their fossil fuel equivalents. When direct and indirect emissions are added together, some biofuels result in emissions of more carbon dioxide than their fossil counterparts. These technologies should therefore not be zero-rated.

Amendment 27

Proposal for a regulation

Article 1 – paragraph 1 – point 3

Regulation (EU) 2018/842

Article 4 – paragraphs 2 and 3

Text proposed by the Commission

Amendment

(3) In Article 4, paragraphs 2 and 3 are

(3) In Article 4, paragraphs 2 and 3 are

replaced by the following:

‘2. Subject to the flexibilities provided for in Articles 5, 6 and 7 of this Regulation and the adjustment pursuant to its Article 10(2) and taking into account any deduction resulting from the application of Article 7 of Decision No 406/2009/EC, each Member State shall ensure that its greenhouse gas emissions:

(a) do not exceed, in the years 2021 and 2022, the limit defined by a linear trajectory, starting on the average of its greenhouse gas emissions during 2016, 2017 and 2018, as set out pursuant to paragraph 3 of this Article, and ending in 2030 at the limit set for that Member State in column 1 of Annex I to this Regulation. The linear trajectory of a Member State shall start either at five-twelfths of the distance from 2019 to 2020 or in 2020, whichever results in a lower allocation for that Member State;

(b) do not exceed, in the years 2023, **2024 and 2025**, the limit defined by a linear trajectory **starting in 2022 at the annual emission allocation for that Member State**, as set out pursuant to paragraph 3 of this Article for that year, and ending in 2030 at the limit set for that Member State in column 2 of Annex I to this Regulation;

(c) do not exceed, in the years 2026 to 2030, the limit defined by a linear trajectory starting in 2024, at the average of its greenhouse gas emissions during the years 2021, 2022 and 2023, as submitted by the Member State pursuant to Article 26 of Regulation (EU) 2018/1999, and ending in 2030 at the limit set for that Member State in column 2 of Annex I to this Regulation.

3. The Commission shall adopt implementing acts setting out the annual

replaced by the following:

‘2. Subject to the flexibilities provided for in Articles 5, 6 and 7 of this Regulation and the adjustment pursuant to its Article 10(2) and taking into account any deduction resulting from the application of Article 7 of Decision No 406/2009/EC, each Member State shall ensure that its greenhouse gas emissions:

(a) do not exceed, in the years 2021 and 2022, the limit defined by a linear trajectory, starting on the average of its greenhouse gas emissions during 2016, 2017 and 2018, as set out pursuant to paragraph 3 of this Article, and ending in 2030 at the limit set for that Member State in column 1 of Annex I to this Regulation. The linear trajectory of a Member State shall start either at five-twelfths of the distance from 2019 to 2020 or in 2020, whichever results in a lower allocation for that Member State

(b) do not exceed, in the years 2023 **to 2030**, the limit defined by a linear trajectory **on the average of its greenhouse gas emissions during 2016, 2017, and 2018**, as set out pursuant to paragraph 3 of this Article for that year, and ending in 2030 at the limit set for that Member State in column 2 of Annex I to this Regulation; **The linear trajectory of a Member State shall start either at five-twelfths of the distance from 2019 to 2020 or in 2020, whichever results in a lower allocation for that Member State;**

deleted

3. The Commission shall adopt implementing acts **following close**

emission allocations for each Member State for the years from 2021 to 2030 in tonnes of CO₂ equivalent in accordance with the linear trajectories set out in paragraph 2.

For the years 2021 and 2022, it shall determine the annual emission allocations based on a comprehensive review of the most recent national inventory data for the years 2005 and 2016 to 2018 submitted by the Member States pursuant to Article 7 of Regulation (EU) No 525/2013 and indicate the value for the 2005 greenhouse gas emissions of each Member State used to determine those annual emission allocations.

For the years 2023, **2024 and 2025**, it shall determine the annual emission allocations based on the value for the 2005 greenhouse gas emissions of each Member State indicated pursuant to the second subparagraph and the reviewed values of the national inventory data for the years 2016, 2017 and 2018 referred to in the second subparagraph.

For the years 2026 to 2030, it shall determine the annual emission allocations based on the value for the 2005 greenhouse gas emissions of each Member State indicated pursuant to the second subparagraph and on a comprehensive review of the most recent national inventory data for the years 2021, 2022 and 2023 submitted by the Member States pursuant to Article 26 of Regulation (EU) 2018/1999.

Amendment 28

Proposal for a regulation

Article 1 – paragraph 1 – point 3 a (new)

Regulation (EU) 2018/842

Article 4 – paragraph 5 a (new)

Text proposed by the Commission

consultation with Member States, setting out the annual emission allocations for each Member State for the years from 2021 to 2030 in tonnes of CO₂ equivalent in accordance with the linear trajectories set out in paragraph 2.

For the years 2021 and 2022, it shall determine the annual emission allocations based on a comprehensive review of the most recent national inventory data for the years 2005 and 2016 to 2018 submitted by the Member States pursuant to Article 7 of Regulation (EU) No 525/2013 and indicate the value for the 2005 greenhouse gas emissions of each Member State used to determine those annual emission allocations.

For the years 2023 **to 2030**, it shall determine the annual emission allocations based on the value for the 2005 greenhouse gas emissions of each Member State indicated pursuant to the second subparagraph and the reviewed values of the national inventory data for the years 2016, 2017 and 2018 referred to in the second subparagraph.

deleted

Amendment

(3a) In Article 4, the following paragraph is added:

5a. ‘The actions undertaken to limit the greenhouse gas emissions as set out in paragraphs 1, 2 and 3 shall be implemented in line with a fair and just transition for all. The Commission shall adopt common guidelines identifying methods to support Member States in implementing that fair and just transition for all.’

Amendment 29

Proposal for a regulation

Article 1 – paragraph 1 – point 3 b (new)

Regulation (EU) 2018/842

Article 4a (new)

Text proposed by the Commission

Amendment

(3b) The following Article is inserted:

‘Article 4a

**Minimum emissions reduction
contribution from non-CO₂ greenhouse
gases for 2030**

- 1. By July 2023, the Commission shall, where appropriate, present to the European Parliament and the Council a legislative proposal setting one or more Union-wide targets for the reduction of non-CO₂ emissions covered by Article 2(1) of this Regulation by 2030. The target or targets shall be aligned with estimated emission reductions necessary for the fulfilment of the target set in Article 1 of this Regulation and the objective set in Article 2 of Regulation (EU) 2021/1119 and shall be proposed following close consultation with the Scientific Advisory Board on Climate Change..**
- 2. By 31 July 2023, the Commission shall submit a report to the European**

Parliament and the Council, assessing the Union-wide non-CO₂ emissions reductions planned and implemented under relevant Union and national laws and policies, including the integrated national energy and climate plans pursuant to Regulation (EU) 2018/1999 and the Common Agricultural Policy Strategic Plans pursuant to Regulation (EU) 2021/2115 of the European Parliament and of the Council^{1a}. Where the Commission presents a legislative proposal pursuant to paragraph 1 and assesses that the non-CO₂ emission reductions are not expected to reach the target or targets referred to in that paragraph, the Commission shall make recommendations for additional mitigation measures and Member States shall take appropriate actions.

3. If the Commission concludes, in the report referred to in paragraph 2 of this Article or in its annual assessment under Article 26 of Regulation (EU) 2018/1999, that the Union is not making sufficient progress towards meeting the minimum emission contribution as regards the non-CO₂ emissions pursuant to Article 1 of this Regulation, the Commission shall, where appropriate, present legislative proposals to the European Parliament and the Council, which may include sectoral targets or sector specific measures, or both, to that effect.'

^{1a} Regulation (EU) 2021/2115 of the European Parliament and of the Council of 2 December 2021 establishing rules on support for strategic plans to be drawn up by Member States under the common agricultural policy (CAP Strategic Plans) and financed by the European Agricultural Guarantee Fund (EAGF) and by the European Agricultural Fund for Rural Development (EAFRD) and repealing Regulations (EU) No 1305/2013

and (EU) No 1307/2013 (OJ L 435, 6.12.2021, p. 1).

Amendment 30

Proposal for a regulation

Article 1 – paragraph 1 – point 3 c (new)

Regulation (EU) 2018/842

Article 5 – paragraphs 1 and 2

Present text

1. In respect of the years 2021 to **2025**, a Member State may borrow a quantity of up to **10** % from its annual emission allocation for the following year.

2. *In respect of the years 2026 to 2029, a Member State may borrow a quantity of up to 5 % from its annual emission allocation for the following year.*

Amendment

(3c) In Article 5, paragraphs 1 and 2 are replaced by the following:

“1. In respect of the years 2021 to **2029**, a Member State may borrow a quantity of up to **5** % from its annual emission allocation for the following year.”

deleted

(32018R0842)

Amendment 31

Proposal for a regulation

Article 1 – paragraph 1 – point 3 d (new)

Regulation (EU) 2018/842

Article 5 – paragraph 3 – point a

Present text

(a) in respect of the year 2021, bank that excess part of its annual emission allocation to subsequent years until **2030**; and

Amendment

(3d) In Article 5(3), point (a) is replaced by the following:

"(a) in respect of the year 2021, bank **the** excess part of its annual emission allocation **up to a level of 5 % of its annual emission allocation** to subsequent years until **2025**; and"

(32018R0842)

Amendment 32

Proposal for a regulation

Article 1 – paragraph 1 – point 3 e (new)

Regulation (EU) 2018/842

Article 5 – paragraph 3 – point (b)

Present text

(b) in respect of the years 2022 to **2029**, bank the excess part of its annual emission allocation up to a level of **30** % of its annual emission allocations up to that year to subsequent years until **2030**.

Amendment

(3e) In Article 5(3), point (b) is replaced by the following:

(b) in respect of the years 2022 to **2024**, bank the excess part of its annual emission allocation up to a level of **10** % of its annual emission allocations up to that year to subsequent years until **2025**.

(32018R0842)

Amendment 33

Proposal for a regulation

Article 1 – paragraph 1 – point 3 f(new)

Regulation (EU) 2018/842

Article 5– paragraph 3 – point b a (new)

Text proposed by the Commission

(ba) in respect of the years 2026 to 2029, bank the excess part of its annual emission allocation up to a level of 10 % of its annual emission allocations up to that year to subsequent years until 2030.'

Amendment

(3f) In Article 5(3) the following point is added:

'(ba) in respect of the years 2026 to 2029, bank the excess part of its annual emission allocation up to a level of 10 % of its annual emission allocations up to that year to subsequent years until 2030.'

Amendment 34

Proposal for a regulation

Article 1 – paragraph 1 – point 3 g (new)

Regulation (EU) 2018/842

Article 5 – paragraph 4

Present text

Amendment

(3g) In Article 5, paragraph 4 is

4. A Member State may transfer up to 5 % of its annual emission allocation for a given year to other Member States in respect of the years 2021 to 2025, **and up to 10 % in respect of the years 2026 to 2030**. The receiving Member State may use that quantity for compliance under Article 9 for the given year or for subsequent years until **2030**.

replaced by the following:

‘4. A Member State may transfer up to 5 % of its annual emission allocation for a given year to other Member States in respect of the years 2021 to 2025. The receiving Member State may use that quantity for compliance under Article 9 for the given year or for subsequent years until **2025**.

A Member State may transfer up to 5 % of its annual emission allocation for a given year to other Member States in respect of the years 2026 to 2030. The receiving Member State may use that quantity for compliance under Article 9 for the given year or for subsequent years until 2030.

Member States shall inform the Commission of any actions taken pursuant to this paragraph, and the transfer price per tonne of CO₂ equivalent.’

(32018R0842)

Amendment 35

Proposal for a regulation

Article 1 – paragraph 1 – point 3 h (new)

Regulation (EU) 2018/842

Article 5 – paragraph 6

Present text

Member States **may** use revenues generated by transfers of annual emission allocations pursuant to paragraphs 4 and 5 to tackle climate change in the Union or in third countries. Member States shall inform the Commission of any actions taken pursuant to this paragraph.

Amendment

(3h) In Article 5, paragraph 6 is replaced by the following:

‘Member States **shall** use revenues generated by transfers of annual emission allocations pursuant to paragraphs 4 and 5 to tackle climate change in the Union or in third countries. Member States shall inform the Commission of any actions taken pursuant to this paragraph **and shall make this information public in an easily accessible form. A Member State which**

transfers annual emissions allocations to another Member State shall publish the record of the transfer and make public the remuneration received for those allocations.'

(32018R0842)

Amendment 36

Proposal for a regulation

Article 1 – paragraph 1 – point 3 i (new)

Regulation (EU) 2018/842

Article 6 – paragraph 3 – subparagraph 2

Present text

The Member States listed in Annex II may decide to revise the notified percentage downwards once in 2024 and once in 2027. In such case, the Member State concerned shall notify the Commission thereof by 31 December 2024 or by 31 December 2027, respectively.

Amendment

(3i) In Article 6(3), subparagraph 2 is replaced by the following:

‘The Member States listed in Annex II may decide **to revise their notification decision by 2023 and** to revise the notified percentage downwards once in 2024 and once in 2027. In such case, the Member State concerned shall notify the Commission thereof by 31 December **2023, by 31 December 2024** or by 31 December 2027, respectively.’

(32018R0842)

Amendment 37

Proposal for a regulation

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

Regulation (EU) 2018/842

Article 8

Present text

Article 8

Corrective action

1. If the Commission finds, in its

Amendment

(5a) Article 8 is replaced by the following:

Article 8

Corrective action

‘1. If the Commission finds, in its

annual assessment under Article 21 of Regulation (EU) No 525/2013 and taking into account the intended use of the flexibilities referred to in Articles 5, 6 and 7 of this Regulation, that a Member State is not making sufficient progress towards meeting its obligations under Article 4 of this Regulation, that Member State shall, within three months, submit to the Commission a corrective action plan that includes:

- (a) additional actions that the Member State shall implement in order to meet its specific obligations under Article 4 of this Regulation, through domestic policies and measures and the implementation of Union action;
- (b) a strict timetable for implementing such actions, which enables the assessment of annual progress in implementation.

annual assessment under Article 29 of Regulation (EU) No 2018/1999 and taking into account the intended use of the flexibilities referred to in Articles 5, 6 and 7 of this Regulation, that a Member State is not making sufficient progress towards meeting its obligations under Article 4 of this Regulation, that Member State shall, within three months, submit to the Commission a corrective action plan that includes:

(-a) a detailed explanation identifying the reasons for which the Member State is failing to make sufficient progress towards meeting its obligations under Article 4 of this Regulation;

(-ab) the total amount of Union funding the Member State has received for spending and investments related to climate and the green transition, how the use of that funding has contributed to meeting its obligations under Article 4 of this Regulation, and how it intends to use such funding for the purpose of meeting those obligations;

- (a) additional actions that the Member State shall implement in order to meet its specific obligations under Article 4 of this Regulation, through domestic policies and measures and the implementation of Union action;

(b) a strict timetable for implementing such actions, which enables the assessment of annual progress in implementation; *where a Member State has established a national climate advisory body, it shall seek the advice of this body to identify necessary actions;*

(ba) a statement of the quantity of additional emission reductions which the Member State estimates will be achieved by those policies and the method used to estimate those additional emission reductions;

(bb) how the corrective action plan will strengthen the Member State's integrated

national energy and climate plan adopted under Regulation (EU) 2018/1999.

1a. If a Member State exceeds its annual emission allocation in two or more consecutive years it shall undertake a review of its integrated national energy and climate plan and its long-term strategy under Regulation (EU) 2018/1999. The Member State shall complete that review within 6 months. The Commission shall issue recommendations identifying how the integrated national energy and climate plan or national long-term strategy, or both, is to be revised. The Member State shall notify the revised plans to the Commission together with a statement setting out how the proposed revisions are to remedy non-compliance with the its annual emission allocations and how it has responded to the Commission's recommendations where relevant. If the integrated national energy and climate plan or long-term strategy remains substantially unaltered, the Member State shall publish an explanation setting out its reasoning.

2. In accordance with its annual work programme, the European Environment Agency shall assist the Commission in its work to assess any *such* corrective action plans.

3. The Commission *may* issue an opinion regarding the robustness of the corrective action plans submitted in accordance with paragraph 1 and shall in that case do so within four months of receipt of those plans. The Member State concerned shall take utmost account of the Commission's opinion and *may* revise its corrective action plan *accordingly*.

2. In accordance with its annual work programme, the European Environment Agency *and the Scientific Advisory Board on Climate Change established in Article 3 of Regulation (EU) 2021/1119* shall assist the Commission in its work to assess any corrective action plans.

3. The Commission *shall* issue an opinion regarding the robustness of the corrective action plans submitted in accordance with paragraph 1 and shall in that case do so within four months of receipt of those plans. The Member State concerned shall take utmost account of the Commission's opinion and *shall* revise its corrective action plan. *If the Member State concerned does not address the recommendation or a substantial part thereof, that Member State shall provide a justification to the Commission.*

3a. The corrective action plans and

Commission opinions as well as answers and justifications received from Member States referred to in paragraphs 1, 1a and 3 shall be accessible to the public.

3b. When updating their integrated national energy and climate plan under Article 14 of Regulation EU (2018)1999, Member States shall make references to their corrective action plans pursuant to paragraphs 1 and 1a and any opinions issued by the Commission under this Article, as appropriate.'

(32018R0842)

Amendment 38

Proposal for a regulation

Article 1 – paragraph 1 – point 6

Regulation (EU) 2018/842

Article 9 – paragraph 2

Text proposed by the Commission

2. If the greenhouse gas emissions of a Member State in the period from 2021 to 2025 referred to in Article 4 of Regulation (EU) 2018/841 exceeded its removals, as determined in accordance with Article 12 of that Regulation, the Central Administrator shall deduct from that Member State's annual emission allocations an amount equal to those excess greenhouse gas emissions in tonnes of CO₂ equivalent for the relevant years.

Amendment

“2. If the greenhouse gas emissions of a Member State in *either* the period from 2021 to 2025 *or the period from 2026 to 2030* referred to in Article 4 of Regulation (EU) 2018/841 exceeded its removals, as determined in accordance with Article 12 of that Regulation, the Central Administrator shall deduct from that Member State's annual emission allocations an amount equal to those excess greenhouse gas emissions in tonnes of CO₂ equivalent for the relevant years.”

(32018R0842)

Amendment 39

Proposal for a regulation

Article 1 – paragraph 1 – point 7

Regulation (EU) 2018/842

Article 11a

- (7) *The following article is inserted:* **deleted**

Article 11a

Additional reserve

1. If, by 2030, the Union has reduced net greenhouse gas emissions by at least 55% compared to 1990 levels in compliance with Article 3 of Regulation (EU) 2021/1119 of the European Parliament and of the Council, and taking into account the maximum limit of the contribution of net removals, an additional reserve shall be established in the Union Registry.**

2. Member States which decide to neither contribute nor benefit from the additional reserve shall notify their decision to the Commission no later than six months after the entry into force of this Regulation.

3. The additional reserve shall consist of the net removals that participating Member States have generated in the period 2026 to 2030 in excess of their respective targets pursuant to Regulation (EU) 2018/841, after deduction of both of the following:

(a) any flexibilities used under Articles 11 to 13b of Regulation (EU) 2018/841;

(b) the quantities taken into account for compliance pursuant to Article 7 of this Regulation.

4. If an additional reserve is set up pursuant to paragraph 1, a participating Member State may benefit from it if the following conditions are fulfilled:

(a) the greenhouse gas emissions of the Member State exceed its annual emission allocations in the period from 2026 to 2030;

(b) the Member State has exhausted

the flexibilities pursuant to Article 5(2) and (3);

(c) the Member State has made the maximum use possible of net removals in accordance with Article 7, even if that quantity does not reach the level set in Annex III; and

(d) the Member State has made no net transfers to other Member States under Article 5.

5. If a Member States fulfils the conditions set out in paragraph 4, it shall receive an additional quantity from the additional reserve up to its shortfall to be used for compliance under Article 9.

If the resulting collective quantity to be received by all of the Member States which fulfil the conditions set out in paragraph 4 of this Article exceeds the quantity allocated to the additional reserve under paragraph 3 of this Article, the quantity to be received by each of those Member States shall be reduced on a pro rata basis.

**** Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving climate neutrality and amending Regulations (EC) No 401/2009 and (EU) 2018/1999 ('European Climate Law') (OJ L 243, 9.7.2021, p. 1).**

Amendment 40

Proposal for a regulation

Article 1 – paragraph 1 – point 7 a (new)

Regulation (EU) 2018/842

Article 15

Present text

Amendment

(7a) Article 15 is replaced by the following:

Article 15

Review

1. This Regulation shall be kept under review taking into account, inter alia, evolving national circumstances, the manner in which all sectors of the economy contribute to the reduction of greenhouse gas emissions, international developments and efforts undertaken to achieve the long-term objectives of the Paris Agreement.

2. The Commission shall submit a report to the European Parliament and to the Council, within six months of each global stocktake agreed under Article 14 of the Paris Agreement, on the operation of this Regulation, including the balance between supply and demand for annual emission allocations, as well as on the contribution of this Regulation to the Union's overall 2030 greenhouse gas emission reduction *target* and its contribution to the goals of the Paris Agreement, in particular with regard to the need for additional Union policies and measures in view of the necessary greenhouse gas emission reductions by the Union and its Member States, including a post-2030 framework, and may make proposals if appropriate.

Those reports shall take into account the strategies prepared pursuant to Article 4 of Regulation (EU) *No 525/2013* with a view to contributing to the formulation of a long-term Union strategy.

Article 15

Review

‘1. This Regulation shall be kept under review taking into account, inter alia, evolving national circumstances, the manner in which all sectors of the economy contribute to the reduction of greenhouse gas emissions, international developments and efforts undertaken to achieve the long-term objectives of the Paris Agreement *and Regulation (EU) 2021/1119*.

2. The Commission shall submit a report to the European Parliament and to the Council, within six months of each global stocktake agreed under Article 14 of the Paris Agreement, on the operation of this Regulation, including the balance between supply and demand for annual emission allocations, as well as on the contribution of this Regulation to the Union's *climate-neutrality objective and the Union's intermediate climate targets pursuant to Articles 2 and 4 of Regulation (EU) 2021/1119* and its contribution to the goals of the Paris Agreement, in particular with regard to the need for additional Union policies and measures in view of the necessary greenhouse gas emission reductions by the Union and its Member States, including a post-2030 framework, and may make proposals if appropriate.

Those reports shall take into account the strategies prepared pursuant to Article 15 of Regulation (EU) *No 2018/1999* with a view to contributing to the formulation of a long-term Union strategy.”

(32018R0842)

Amendment 41

Proposal for a regulation

Article 1 – paragraph 1 – point 7 b (new)

Regulation (EU) 2018/842

Article 15a (new)

(7b) The following article is inserted:

‘ Article 15a

***Alignment with Union and Member State
climate-neutrality objective***

1. By the adoption of the legislative act establishing the Union’s 2040 climate target pursuant to Article 4(3) of Regulation (EU) 2021/1119, the Commission shall submit a report to the European Parliament and the Council which sets out:

(a) the suitability of the current national targets under Annex I of this Regulation as regards their contribution to achieving the objective of climate neutrality by 2050 at the latest under Regulation (EU) 2021/1119 in a cost-effective and fair manner;

(b) a reduction pathway for each Member State of the greenhouse gas emissions covered by this Regulation that is compatible with the objective of climate neutrality for each Member State by 2050 at the latest.

2. Within six months of the publication of the report referred to in paragraph 1, the Commission shall make proposals to limit greenhouse gas emissions for the sectors covered by this Regulation. Those proposals shall ensure the cost-effective and fair distribution of reduction efforts across the Union based on the reduction pathways referred to in paragraph 1, point (b).’

Amendment 42

Proposal for a regulation

Article 1 – paragraph 1 – point 7 c (new)

Regulation (EU) 2018/842

Article 15b (new)

Present text

Amendment

(7c) The following article is inserted:

‘Article 15b

Access to justice

1. Member States shall ensure that, in accordance with their national legal system, members of the public concerned who meet the conditions set out in paragraph 2, including natural or legal persons or their associations, organisations or groups, have access to a review procedure before a court of law, or another independent and impartial body established by law, to challenge the substantive or procedural legality of decisions, acts and omissions:

(a) that fail to comply with the legal obligations provided for in Articles 4 to 8 of this Regulation; or

(b) that are subject to Article 10 of Regulation (EU) 2018/1999.

For the purposes of this paragraph, an act or omission that fails to comply with legal obligations arising under Articles 4 or 8 includes an act or omission with respect to a policy or measure adopted for the purposes of implementing those obligations, where that policy or measure fails to make a sufficient contribution to such implementation.

2. Members of the public concerned shall be deemed to meet the conditions referred to in paragraph 1 where:

(a) they have sufficient interest; or

(b) they maintain impairment of a right, where administrative procedural law of a Member State requires that as a precondition.

What constitutes a sufficient interest shall be determined by Member States consistently with the objective of giving the members of the public concerned wide access to justice and in conformity with the Aarhus Convention. To that end, the interest of any non-governmental

organisation promoting environmental protection and meeting any requirements under national law shall be deemed to have sufficient interest for the purposes of this paragraph.

3. Paragraphs 1 and 2 shall not exclude the possibility of being able to have recourse to a preliminary review procedure before an administrative authority and shall not affect the requirement to exhaust administrative review procedures prior to having recourse to judicial review procedures, where such a requirement exists under national law. Any such procedure shall be fair, equitable, timely and not prohibitively expensive.

4. Member States shall ensure that practical information is made easily available to the public on access to administrative and judicial review procedures.'

(32018R0842)

Amendment 43

Proposal for a regulation

Article 1 – paragraph 1 – point 7 d (new)

Regulation (EU) 2018/842

Article 16 a (new)

Text proposed by the Commission

Amendment

(7d) The following article is inserted:

'Article 16a

Scientific advice regarding ESR/CARE sectors

In line with its mandate set out under Article 3(2) of Regulation (EU) 2021/1119, the European Scientific Advisory Board on Climate Change (ESABCC) shall be invited, on its own initiative, to provide scientific advice and issue reports on the trajectory of this

Regulation, annual emissions levels and flexibilities, and their consistency with the climate objectives, in particular with a view to informing any subsequent revision of this Regulation. The Commission shall take due account of the ESABCC's advice or publicly justify the reasons for disregarding it.'

EXPLANATORY STATEMENT

Fighting climate change with more ambition

In 2020, the European Parliament and the Council adopted Regulation (EU) 2021/1119, the European Climate Law. This landmark initiative commits the EU to reduce emissions by 55 percent by 2030 and reach climate neutrality by 2050. As a result of this agreement, it is necessary to update the EU's climate policy architecture.

The Effort Sharing Regulation (ESR) is a cornerstone of that architecture and currently regulates roughly 60 percent of emissions within the Union. As part of the 'Fit for 55' package, the European Commission has proposed to amend the ESR in order to align its contribution with the objectives of the Climate Law.

The ESR currently covers all greenhouse gas emissions which are covered neither by the EU Emissions Trading System (ETS) nor by the Regulation on Land-Use, Land-Use Change and Forestry (LULUCF). This means that it currently covers direct greenhouse gas emissions from a number of key sectors: transport (except aviation and non-domestic shipping), buildings, agriculture, industrial installations and gases not covered by the EU ETS and waste as well as non-combustion related emissions from energy and product use. It covers CO₂ emissions as well as a significant share of non-CO₂ emissions.

The general objective of the Commission proposal is to revise the ESR so that it contributes to the ambition to reach at least 55 percent net greenhouse gas emission reductions by 2030 compared to 1990 levels in a cost-effective and coherent way while taking into account the need for a just transition and the need for all sectors to contribute to the EU's climate efforts. The aim is to achieve a gradual and balanced trajectory towards climate neutrality by 2050.

This requires more progressive action in the sectors covered by the ESR. The proposal upgrades national targets in line with an EU-wide reduction of 40% in the ESR sectors compared to 2005 by 2030. Member States contribute to this overall reduction with targets ranging from -10 percent to -50 percent. These national targets are based mainly on GDP per capita.

Increased climate action for Europe.

The Rapporteur supports the Commission proposal to upgrade the ESR targets in line with the EU's economy-wide 2030 emissions reduction target. However, it is the firm conviction of the Rapporteur that the EU's climate objectives can only be achieved with a more robust legislative framework which requires all Member States to take action.

The Rapporteur has therefore taken several steps to strengthen the Commission proposal in order to make it fit not only for the EU's 2030 target, but also for the overarching objective of climate neutrality by 2050.

All Member States must contribute towards the EU's new climate ambitions.

The current national targets under the ESR do not require all Member States to lower their emissions. The new Commission proposal changes this: all Member States must now join in

on the action. This is something that the European Parliament has long called for, and it is long overdue.

The Rapporteur supports these revisions while noting that there is still a significant discrepancy between Member States' national targets. It is therefore necessary to strengthen the convergence between Member States' efforts within the established targets. To this end, the Rapporteur has made the national targets as strict as possible in order to ensure that all Member States pursue sufficient decarbonisation efforts.

Ensuring that the 2030 targets are actually met.

It is of vital importance to maintain the integrity of the new emission reduction targets under the ESR and ensure that they are actually met by Member States.

Several potential loopholes in the Regulation have therefore been deleted or restricted by the Rapporteur. This includes restrictions on the ability of Member States to “borrow” emission allowances from their future emissions budget as well as on the ability for Member States to trade allowances. The Rapporteur has also added a requirement that any proceeds by a Member State from emissions trading within the ESR must be allocated to climate action – a key step to ensure a streamlined focus on climate action throughout the Regulation.

In addition, the Rapporteur has repealed the proposal to introduce an additional safety reserve composed of surplus removals generated by Member States in excess of their targets in the LULUCF Regulation. This will also ensure decarbonisation measures across all sectors covered by the Regulation.

Making the national targets fit for climate neutrality by 2050.

The Regulation sets emission reduction targets for Member States until 2030. It is nonetheless desirable to establish a clear linkage between the ESR and the objective of climate neutrality enshrined in the Climate Law. The European Parliament has already taken a clear position that the objectives of the Climate Law should be met by each individual Member State. The Rapporteur has therefore created a clear linkage between the ESR and the Climate Law in order to codify some steps to be taken by Member States post-2030 and set the EU on track towards climate neutrality by 2050.

Let Member States reach their targets in a way that works best for them.

The EU is diverse, and Member States have distinctive characteristics and differing economic compositions. Member States should therefore have some flexibility to meet their climate targets in a way that works best for them. With the new legislative proposal, Member States have some flexibility to cut emissions in the sectors where it is most cost-effective.

The Rapporteur believes that these combined proposals will strengthen the ESR, promote decarbonisation measures across the whole Union and put the EU's policies on track to meet the climate challenge with united ambition.

29.4.2022

OPINION OF THE COMMITTEE ON TRANSPORT AND TOURISM

for the Committee on the Environment, Public Health and Food Safety

on the proposal for a regulation of the European Parliament and of the Council amending Regulation (EU) 2018/842 on binding annual greenhouse gas emission reductions by Member States from 2021 to 2030 contributing to climate action to meet commitments under the Paris Agreement
(COM(2021)0555 – C9-0321/2021 – 2021/0200(COD))

Rapporteur for opinion: Angel Dzhambazki

SHORT JUSTIFICATION

Commission proposal for the revision of the Effort Sharing Regulation

With the European Climate Law the EU and its Member States have committed to reduce greenhouse gas emissions by 55% by 2030 compared to 1990 levels and become the world's first climate neutral group of nations by 2050. In summer 2020, the Commission proposed the "Fit for 55" legislative package, updating the current climate policy framework of the EU, in order to achieve the additional emission reductions required by this ambition.

The Effort Sharing Regulation (ESR) plays a key role in this policy framework, where it covers emissions from sectors such as transport (but not aviation and non-domestic shipping), buildings, agriculture, waste management and various other sources not covered by the current EU Emissions Trading System (ETS) as well as emissions not related to combustion from energy and product use. The ESR thus accounts for 60% of the overall EU's greenhouse gas emissions. For the period 2021-2030, the current ESR enacted in 2018 sets a collective greenhouse gas emissions reduction target for the EU as a whole of -30% compared to 2005 levels. Member States share the EU-wide emissions reduction effort by way of binding national reduction targets that are determined mostly based on per capita GDP.

Aligning the ESR with the higher climate ambition for 2030, the Commission proposal for raises the EU-wide emission reduction target to -40% in 2030 and, correspondingly, the national targets to -10% to -50% below 2005 levels. Under the proposal, Member States retain certain flexibilities to meet their required reduction efforts from year to year. Furthermore, the road transport and buildings sectors remain covered by the ESR, whilst the Commission in a separate initiative in addition proposed to include these sectors also in a new EU-wide ETS.

Rapporteur's assessment of the proposal

The Rapporteur acknowledges that the Fit for 55 package aims at bolder ambitions to cut the greenhouse emissions of the EU rapidly towards reaching climate neutrality within the

coming three decades. The Rapporteur regrets however that the proposed initiatives lack a thorough analysis to honestly address the negative impacts of a rushed transition (essentially unmatched elsewhere in the world) on the competitiveness of the economy and jobs in Member States. This applies in particular to mobility, where it still remains uncertain that alternative low- and zero emission solutions and the energy to operate them will become available widely and rapidly enough to ensure affordable mobility for citizens and businesses, a cornerstone of the functioning of our societies. The EU within its climate and energy policy thus needs to do its utmost to ensure that the needed shift to alternative fuel technologies and infrastructure, including electric energy and hydrogen-based fuels, progresses in pace with its climate ambitions. In becoming more sustainable in the short and long run, the transport sector depends on regulatory conditions that strongly support innovative technologies and investments therein.

The Rapporteur warns that the additional cost for citizens and households that will foreseeably come with the proposed inclusion of road transport and building in the ETS, and more indirectly with the raised ambition of the ESR, will aggravate effects of the present energy price inflation, further adding to already existing energy and transport poverty. It is therefore necessary to consider more permanent support mechanisms in the context of the Social and Climate Fund proposed by the Commission.

The Rapporteur is in favour of the proposal to keep the sectors of road transport (and buildings) in the scope of the ESR as Member States are best placed to take appropriate regulatory measures - tailored in proportion to their specific situation and their citizens' mobility and housing needs - to meet the envisaged emission reductions across all sectors. The Rapporteur also supports the proposal to retain flexibilities for Member States to reduce their emissions and comply effectively with their reduction obligations.

The Rapporteur regards it as important to provide Member States and stakeholders in the sectors covered with a predictable and stable path for the required emission reductions, a prerequisite in fact to foster investments and innovation in climate friendly solutions. The country specific trajectories for the allocated emissions should thus be set only once at the beginning of the 2021-2030 period. Since a just and fair distribution of efforts among and within Member States is key for meeting the EU-wide target, the Commission should analyse and take into account cost-effectiveness and fairness aspects beyond per capita GDP when determining the national trajectories. Finally, considering a possible coverage of road transport in the ETS, the Rapporteur stresses the need to keep all EU-level rules within the ESR and ETS under review, avoiding possible over-regulation. In this regard, the Commission should report in a more comprehensive manner on the actual emission reductions at sector level, e.g. in the progress reports under the energy and climate governance regulation.

AMENDMENTS

The Committee on Transport and Tourism calls on the Committee on the Environment, Public Health and Food Safety, as the committee responsible, to take into account the following

amendments:

Amendment 1

Proposal for a regulation

Recital 1

Text proposed by the Commission

(1) The Paris Agreement, adopted in December 2015 under the United Nations Framework Convention on Climate Change (UNFCCC), entered into force in November 2016 (“the Paris Agreement”). Its Parties have agreed to hold the increase in the global average temperature well below 2 °C above pre-industrial levels and to pursue efforts to limit the temperature increase to 1,5 °C above pre-industrial levels.

Amendment

(1) The Paris Agreement, adopted in December 2015 under the United Nations Framework Convention on Climate Change (UNFCCC), entered into force in November 2016 (“the Paris Agreement”). Its Parties have agreed to hold the increase in the global average temperature well below 2 °C above pre-industrial levels and to pursue efforts to limit the temperature increase to 1,5 °C above pre-industrial levels, ***while reflecting the principles of equity and of common but differentiated responsibilities and respective capabilities of nations.***

Amendment 2

Proposal for a regulation

Recital 1 a (new)

Text proposed by the Commission

Amendment

(1a) In its resolution of 28 November 2019 on the climate and environment emergency, the European Parliament urged the Commission to take immediate and ambitious action to limit global warming to 1,5 °C and to avoid massive biodiversity loss, including by addressing inconsistencies in current Union policies with the climate and environment emergency and by ensuring that all relevant future legislative and budgetary proposals are fully aligned with the objective of limiting global warming to under 1,5 °C and that they do not contribute to biodiversity loss.

Amendment 3

Proposal for a regulation

Recital 3

Text proposed by the Commission

(3) The European Green Deal³¹ combines a comprehensive set of mutually reinforcing measures and initiatives aimed at achieving climate neutrality in the Union by 2050, and sets out a new growth strategy that aims to transform the Union into a fair and prosperous society, with a modern, resource-efficient and competitive economy, ***where economic growth is decoupled from resource use***. It also aims to protect, conserve and enhance the Union's natural capital, and protect the health and well-being of citizens ***from environment-related risks and impacts***. ***At the same time***, this transition affects women and men differently and has a particular impact on some disadvantaged groups, such as older people, persons with disabilities and persons with a minority ***racial or ethnic*** background. ***It must therefore*** be ensured that ***the transition is just and inclusive, leaving no one behind***.

³¹ Commission Communication - The European Green Deal, COM(2019) 640 final of 11 December 2019.

Amendment

(3) The European Green Deal³¹ combines a comprehensive set of mutually reinforcing measures and initiatives aimed at achieving climate neutrality in the Union by 2050, and sets out a new growth strategy that aims to transform the Union into a fair and prosperous society, with a modern, resource-efficient and competitive economy. It also aims to protect, conserve and enhance the Union's natural capital, and protect the health and well-being of citizens. ***This transition impacts Member States, regions, economic sectors and citizens differently and is dependent on their particular situation. For instance, it affects women and men differently and has a particular impact on some disadvantaged groups. It is therefore essential to ensure that the European Green Deal is implemented in a way that promotes economic, social and territorial cohesion in the Union, including its outermost regions, and that the transition is just and inclusive, with due attention to disadvantaged groups*** such as older people, persons with disabilities, ***persons suffering from energy or transport poverty, vulnerable micro, small and medium enterprises*** and persons with a minority background. ***In particular, it has to be ensured that disruptions are avoided in critical sectors that meet basic needs of the economy and society, such as mobility.***

³¹ Commission Communication - The European Green Deal, COM(2019) 640 final of 11 December 2019.

Amendment 4

Proposal for a regulation Recital 3 a (new)

Text proposed by the Commission

Amendment

(3a) The Union transport sector is essential for the Union's economic and social development and for ensuring the territorial accessibility and connectivity of all regions of the Union. At the same time, the decarbonisation of the sector is key for the Union to achieve its target of reducing greenhouse gas emissions by 55 % by 2030 and its long-term objective of reaching climate neutrality by 2050. The Union therefore has to make sustainable transport a reality while ensuring the functioning of the internal market and Union competitiveness worldwide, avoiding disruptions and safeguarding social standards. Efforts need to be focused in particular on promoting a future-proof and resilient transport sector when achieving the climate targets of Member States set for 2030 as established by this Regulation. Therefore, Member States should make use of all available Union funds to accompany the transport industry in its decarbonisation while taking into account that currently low carbon transition in several modes of transport remains technologically difficult and poses challenges as regards efficiency and competitiveness. For the next steps towards decarbonisation of transport sectors, the principle of the technological neutrality must be respected.

Amendment 5

Proposal for a regulation Recital 3 b (new)

Text proposed by the Commission

Amendment

(3b) The social and economic effects of the transition to carbon-neutral economy must be taken into account. The principle of decarbonisation needs to go in conjunction with the implementation of the European Pillar of Social rights, ensuring no one and no region is left behind.

Amendment 6

Proposal for a regulation

Recital 4

Text proposed by the Commission

Amendment

(4) In Regulation (EU) 2021/1119 of the European Parliament and of the Council³² (‘European Climate Law’), the Union has enshrined into legislation the target of economy-wide climate neutrality by 2050. That Regulation also establishes a binding Union domestic reduction commitment of net greenhouse gas emissions (emissions after deduction of removals) of at least 55% below 1990 levels by 2030.

(4) In Regulation (EU) 2021/1119 of the European Parliament and of the Council³² (‘European Climate Law’), the Union has enshrined into legislation the target of economy-wide climate neutrality by 2050 ***at the latest***. That Regulation also establishes a binding Union domestic reduction commitment of net greenhouse gas emissions (emissions after deduction of removals) of at least 55% below 1990 levels by 2030.

³² Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving climate neutrality and amending Regulations (EC) No 401/2009 and (EU) 2018/1999 (‘European Climate Law’) (OJ L 243, 9.7.2021, p. 1).

³² Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving climate neutrality and amending Regulations (EC) No 401/2009 and (EU) 2018/1999 (‘European Climate Law’) (OJ L 243, 9.7.2021, p. 1).

Amendment 7

Proposal for a regulation

Recital 4 a (new)

Text proposed by the Commission

Amendment

(4a) As a central sector in the change to sustainability, transport must remain in Regulation (EU) 2018/842 regardless of any further development of the emissions trading system. At the same time, any further and future market-based solution should never stand in the way of other and supplementary legislative measures either on national or Union level to further reduce emissions from transport.

Amendment 8

Proposal for a regulation Recital 5 a (new)

Text proposed by the Commission

Amendment

(5a) Given the critical role of the entire transport sector, including road, rail, inland waterway, maritime and air transport, for the functioning of our societies, the sector is expected to play a significant role in achieving the climate targets established by the European Climate Law.

Amendment 9

Proposal for a regulation Recital 5 b (new)

Text proposed by the Commission

Amendment

(5b) Hydrogen can be used as feedstock or a source of energy in industrial and chemical processes and in air and maritime transport, decarbonising sectors in which direct electrification is not technologically possible or competitive, as well as being used for energy storage to balance, where necessary, the energy system, thereby playing a significant role

in energy-system integration.

Amendment 10

Proposal for a regulation

Recital 5 c (new)

Text proposed by the Commission

Amendment

(5c) Both low-carbon and renewable hydrogen should develop in the European energy market, taking into account that these have different infrastructure and investment needs, prioritising the need for investment that will scale up renewable production fast enough to reach the Union's climate targets and environmental goals for 2030 and 2050, and by exploiting low-carbon hydrogen as a bridging technology in the short term. The Commission should therefore assess how much low-carbon hydrogen will be needed for decarbonisation purposes until renewable hydrogen can play this role alone, in which cases, and for how long. In addition, the Commission and the Member States should reduce regulatory and economic hurdles in order to foster a quick market uptake of renewable hydrogen.

Amendment 11

Proposal for a regulation

Recital 5 d (new)

Text proposed by the Commission

Amendment

(5d) The Commission has proposed under the EU's taxonomy framework established under Regulation (EU) 2020/852 of the European Parliament and of the Council^{1a} draft rules for classifying natural gas and nuclear power as green in the context of climate change-related objectives. Such classification would vastly help the transport sector to reduce

its carbon footprint and reach the goals of the European Green Deal and the Fit for 55 package. This is particularly important considering possible bans on the production of vehicles with internal combustion engines post 2030, as zero-emission vehicles heavily rely on electrical power for charging and only safe and reliable nuclear power would be able to meet the needs of zero-emission vehicles.

^{1a} Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 (OJ L 198, 22.6.2020, p. 13).

Amendment 12

Proposal for a regulation Recital 5 e (new)

Text proposed by the Commission

Amendment

(5e) The EU taxonomy framework established under Regulation (EU) 2020/852 provides companies, investors and policymakers with appropriate definitions for which economic activities can be considered environmentally sustainable. In that way, it can create security for investors, protect private investors from greenwashing, help companies to become more climate-friendly, mitigate market fragmentation and help shift investments where they are most needed.

Amendment 13

Proposal for a regulation Recital 7

(7) ***While emissions trading will also apply to greenhouse gas emissions from road and maritime transport as well as buildings, the scope of Regulation (EU) 2018/842 will be maintained. Regulation (EU) 2018/842 will therefore continue applying to the greenhouse gas emissions from domestic navigation, but not to those from international navigation.***

Greenhouse gas emissions of a Member State within the scope of Regulation (EU) 2018/842 to be taken into account for compliance checks will continue to be determined upon completion of inventory reviews in accordance with Regulation (EU) 2018/1999 of the European Parliament and the Council³⁴.

³⁴ Regulation (EU) 2018/1999 of the European Parliament and of the Council of 11 December 2018 on the Governance of the Energy Union and Climate Action, amending Regulations (EC) No 663/2009 and (EC) No 715/2009 of the European Parliament and of the Council, Directives 94/22/EC, 98/70/EC, 2009/31/EC, 2009/73/EC, 2010/31/EU, 2012/27/EU and 2013/30/EU of the European Parliament and of the Council, Council Directives 2009/119/EC and (EU) 2015/652 and repealing Regulation (EU) No 525/2013 of the European Parliament and of the Council (OJ L 328, 21.12.2018, p. 1).

(7) The scope of Regulation (EU) 2018/842 *is* maintained. Greenhouse gas emissions of a Member State within the scope of Regulation (EU) 2018/842 to be taken into account for compliance checks will continue to be determined upon completion of inventory reviews in accordance with Regulation (EU) 2018/1999 of the European Parliament and the Council³⁴. ***With a view to reducing the regulatory burden, the Commission should duly review the legislative framework addressing emission reductions, in particular in sectors such as transport which are subject to different legislation and pricing instruments, and if necessary propose adaptations to avoid possible over-regulation.***

³⁴ Regulation (EU) 2018/1999 of the European Parliament and of the Council of 11 December 2018 on the Governance of the Energy Union and Climate Action, amending Regulations (EC) No 663/2009 and (EC) No 715/2009 of the European Parliament and of the Council, Directives 94/22/EC, 98/70/EC, 2009/31/EC, 2009/73/EC, 2010/31/EU, 2012/27/EU and 2013/30/EU of the European Parliament and of the Council, Council Directives 2009/119/EC and (EU) 2015/652 and repealing Regulation (EU) No 525/2013 of the European Parliament and of the Council (OJ L 328, 21.12.2018, p. 1).

(Scope of ESR)

Amendment 14

Proposal for a regulation Recital 9 a (new)

Text proposed by the Commission

Amendment

(9a) Taking into account Article 349 of the Treaty on the Functioning of the European Union, the efforts and targets on greenhouse gas emissions reduction should be adapted to the specific reality of the outermost regions, structurally characterised by remoteness, insularity, small size, difficult topography and climate, and economic dependence on a few products.

Amendment 15

Proposal for a regulation

Recital 10

Text proposed by the Commission

Amendment

(10) In order to achieve the target of reducing greenhouse gas emissions by 55%, the sectors covered by Regulation (EU) 2018/842 will need to reduce their emissions progressively until they reach 40% in 2030, compared to 2005 levels.

(10) In order to achieve the target of reducing greenhouse gas emissions by 55%, ***Member States for*** the sectors covered by Regulation (EU)2018/842 will need to reduce their emissions progressively until they reach ***collectively the EU-wide target of*** -40% in 2030, compared to 2005 levels.

Amendment 16

Proposal for a regulation

Recital 12 a (new)

Text proposed by the Commission

Amendment

(12a) With a view to ensuring a cost-effective and fair reduction of greenhouse gas emissions across the sectors falling under both Regulation (EU)2018/842 and Directive 2003/87/EC it should be possible for Member States to balance the reductions they achieve in those sectors under those instruments. Where Member States for a given year have reduced their

emissions in those sectors more than proportionately under the Regulation (EU) 2018/842, it is fair that those Member States may provide compensation to those sectors. It should thus be possible for Member States in such cases to grant a limited amount of free allocation of allowances under Directive 2003/87/EC in those sectors, while ensuring that respective cost advantages are passed on to citizens and businesses. The Commission should therefore set out sectoral annual emission benchmarks with respect of those sectors against which Member States' reviewed greenhouse gas emissions from those sectors may be assessed. Such sectoral annual emission benchmark should not be understood as a minimum sectoral target but rather as a threshold for allowing for flexibility with Directive 2003/87/EC.

Amendment 17

Proposal for a regulation Recital 12 b (new)

Text proposed by the Commission

Amendment

(12b) Member States' reduction efforts should continue to be based on the principle of solidarity between Member States and the need for sustainable economic growth across the Union, taking into account the relative per capita GDP of Member States. The annual emission allocations for Member States should accordingly be set in line with the principles of fairness and cost-effectiveness, considering, inter alia, economic capacity and relative emission reduction potential and cost.

Amendment 18

Proposal for a regulation
Recital 13

Text proposed by the Commission

(13) The COVID-19 pandemic *has impacted the Union's economy* and its level of emissions to *a degree* that cannot yet be fully quantified. *On the other hand, the Union is deploying its largest stimulus package ever, also having a potential impact on the level* of emissions. Due to those uncertainties, it is appropriate *to review the emissions data in 2025 and, if necessary, readjust the* annual emission allocations.

Amendment

(13) *New threats such as the Russian war in Ukraine and the COVID-19 pandemic are impacting the Union* and its *Member States and their* level of emissions to *different degrees and for durations* that cannot yet be fully quantified. *Moreover, these crises have the potential to influence how the Member States can reduce their levels* of emissions. Due to those uncertainties, it is appropriate *that Regulation (EU)2018/842 provides Member States and sectors with predictable trajectories for the required reductions of emissions until 2030. Where necessary, in relation to strategic emergency or crisis situations, temporary adjustments of annual emission allocations should however remain possible, provided the national emission reduction targets set for 2030 are respected and the flexibilities provided for under Regulation (EU)2018/842 are duly taken into account. Moreover, where a Member State exceeds its annual allocations it ought to imply only a corrective procedure in accordance with this Regulation.*

Amendment 19

Proposal for a regulation
Recital 13 a (new)

Text proposed by the Commission

Amendment

(13a) The COVID-19 pandemic has demonstrated the strategic importance of the transport sector. The implementation of green lanes, which provided secure supply chains for healthcare and emergency services, essential food supply and pharmaceutical products was a good practice, which in the future should take precedence over emissions reduction in

times of crisis.

Amendment 20

Proposal for a regulation

Recital 14

Text proposed by the Commission

Amendment

(14) It is therefore appropriate to update in 2025 the annual emission allocations for the years 2026 to 2030. This should be based on a comprehensive review of the national inventory data carried out by the Commission in order to determine the average of the greenhouse gas emissions of each Member State during the years 2021, 2022 and 2023.

deleted

Amendment 21

Proposal for a regulation

Recital 17

Text proposed by the Commission

Amendment

(17) Considering, the introduction of a strengthened compliance regime in Regulation (EU) 2018/841 as of 2026, it is appropriate to abolish the deduction of the greenhouse gas emissions generated by each Member State in the period from 2026 to 2030 in the land sector in excess of its removals. Article 9(2) should therefore be amended accordingly.

(17) The provisions of Regulation 2018/842 in relation to compliance should be strengthened so as, on the one hand, to dissuade countries from exceeding their emissions allocations including with financial penalties, and, on the other, to increase transparency and effectiveness of corrective actions.

Amendment 22

Proposal for a regulation

Recital 18

Text proposed by the Commission

Amendment

(18) The setting of more ambitious targets under Regulation (EU) 2018/841

deleted

will decrease the capacity of Member States to generate net removals that can be used for compliance under Regulation (EU) 2018/842. In addition, the split of the use of the LULUCF flexibility into two separate time periods, will further limit the availability of net removals for the purpose of compliance with Regulation (EU) 2018/842. As a result, some Member States may face challenges in meeting their targets under Regulation (EU) 2018/842, while some Member States, the same or other, may generate net removals that cannot be used for compliance with Regulation (EU) 2018/842. As long as the Union objectives as set out in Article 3 of Regulation (EU) 2021/1119 are met, in particular with regard to the maximum limit of the contribution of net removals, it is appropriate to create a new voluntary mechanism, in the form of an additional reserve, that will help adhering Member States to comply with their obligations.

Amendment 23

Proposal for a regulation Recital 18 a (new)

Text proposed by the Commission

Amendment

(18a) Some Member States will face major challenges in meeting the targets of Regulation (EU) 2018/842. It is therefore important to ensure flexibility, anticipation and transferability. In order to assess the progress of Member States in reducing greenhouse gas emissions covered by Regulation (EU) 2018/842 and to ensure transparency, assessments of progress under Regulation (EU) 2018/1999 should evaluate and report in particular on the emission reductions of the transport sector, stating the actual annual emissions in the sector together with the corresponding amounts of annual emission allocations under Regulation (EU) 2018/842. However, this

should not imply any form of introduction of minimum contributions by sector as this would not only place the targets at risk but also prevent them from being achieved.

Amendment 24

Proposal for a regulation Recital 18 b (new)

Text proposed by the Commission

Amendment

(18b) The Commission should submit a report to the European Parliament and to the Council, within six months of each global stocktake agreed under Article 14 of the Paris Agreement, on the operation of Regulation (EU) 2018/842. When drafting that report, the Commission should seek to take into account, where relevant, the advice of the European Scientific Advisory Board on Climate Change, established by Regulation (EU) 2021/1119, independent bodies professionals and, when available, of the national climate advisory bodies.

Amendment 25

Proposal for a regulation Article 1 – paragraph 1 – point 3 Regulation (EU) 2018/842 Article 4 – paragraphs 2 and 3

Text proposed by the Commission

Amendment

(3) In Article 4, paragraphs 2 and 3 are replaced by the following:

‘2. Subject to the flexibilities provided for in Articles 5, 6 and 7 of this Regulation and the adjustment pursuant to its Article 10(2) and taking into account any deduction resulting from the application of

(3) In Article 4, paragraphs 2 and 3 are replaced by the following:

‘2. Subject to the flexibilities provided for in Articles 5, 6 and 7 of this Regulation and the adjustment pursuant to its Article 10(2) and taking into account any deduction resulting from the application of

Article 7 of Decision No 406/2009/EC, each Member State shall ensure that its greenhouse gas emissions:

a) do not exceed, in the years 2021 and 2022, the limit defined by a linear trajectory, starting on the average of its greenhouse gas emissions during 2016, 2017 and 2018, as set out pursuant to paragraph 3 of this Article, and ending in 2030 at the limit set for that Member State in column 1 of Annex I to this Regulation. The linear trajectory of a Member State shall start either at five-twelfths of the distance from 2019 to 2020 or in 2020, whichever results in a lower allocation for that Member State;

(b) do not exceed, in the years 2023, **2024 and 2025**, the limit defined by a linear trajectory starting in 2022 at the annual emission allocation for that Member State, as set out pursuant to paragraph 3 of this Article for that year, and ending in 2030 at the limit set for that Member State in column 2 of Annex I to this Regulation;

(c) do not exceed, in the years 2026 to 2030, the limit defined by a linear trajectory starting in 2024, at the average of its greenhouse gas emissions during the years 2021, 2022 and 2023, as submitted by the Member State pursuant to Article 26 of Regulation (EU) 2018/1999, and ending in 2030 at the limit set for that Member State in column 2 of Annex I to this Regulation.

3. The Commission shall adopt implementing acts setting out the annual emission allocations for each Member State for the years from 2021 to 2030 in tonnes of CO₂ equivalent in accordance with the linear trajectories set out in paragraph 2.

For the years 2021 and 2022, it shall determine the annual emission allocations based on a comprehensive review of the most recent national inventory data for the years 2005 and 2016 to 2018 submitted by the Member States pursuant to Article 7 of

Article 7 of Decision No 406/2009/EC, each Member State shall ensure that its greenhouse gas emissions:

a) do not exceed, in the years 2021 and 2022, the limit defined by a linear trajectory, starting on the average of its greenhouse gas emissions during 2016, 2017 and 2018, as set out pursuant to paragraph 3 of this Article, and ending in 2030 at the limit set for that Member State in column 1 of Annex I to this Regulation. The linear trajectory of a Member State shall start either at five-twelfths of the distance from 2019 to 2020 or in 2020, whichever results in a lower allocation for that Member State;

(b) do not exceed, in the years 2023 **to 2030**, the limit defined by a linear trajectory starting in 2022 at the annual emission allocation for that Member State, as set out pursuant to paragraph 3 of this Article for that year, and ending in 2030 at the limit set for that Member State in column 2 of Annex I to this Regulation;

3. The Commission shall adopt implementing acts setting out the annual emission allocations for each Member State for the years from 2021 to 2030 in tonnes of CO₂ equivalent in accordance with the linear trajectories set out in paragraph 2.

For the years 2021 and 2022, it shall determine the annual emission allocations based on a comprehensive review of the most recent national inventory data for the years 2005 and 2016 to 2018 submitted by the Member States pursuant to Article 7 of

Regulation (EU) No 525/2013 and indicate the value for the 2005 greenhouse gas emissions of each Member State used to determine those annual emission allocations.

For the years 2023, **2024 and 2025**, it shall determine the annual emission allocations based on the ***value for the 2005 greenhouse gas emissions of each Member State indicated*** pursuant to the second subparagraph ***and the reviewed values of the national inventory data for the years 2016, 2017 and 2018 referred to in the second subparagraph.***

For the years 2026 to 2030, it shall determine the annual emission allocations based on the value for the 2005 greenhouse gas emissions of each Member State indicated pursuant to the second subparagraph and on a comprehensive review of the most recent national inventory data for the years 2021, 2022 and 2023 submitted by the Member States pursuant to Article 26 of Regulation (EU) 2018/1999.

Regulation (EU) No 525/2013 and indicate the value for the 2005 greenhouse gas emissions of each Member State used to determine those annual emission allocations.

For the years 2023 ***to 2030***, it shall determine the annual emission allocations based on the ***linear trajectory starting in 2022 at the annual emission allocation of that Member State for that year, as determined*** pursuant to the second subparagraph, ***and ending in 2030 at the limit for that Member State set out in column 2 of Annex I to this Regulation.***

When setting out the annual emission allocations for each Member State under this paragraph, the Commission shall ensure that the Union target for reducing greenhouse gas emissions under this Regulation is attained in a fair and cost-effective way across Member States, taking into account the flexibilities provided for in Article 5 of this Regulation.

For sectors covered by this Regulation and Directive 2003/87/EC concurrently, when determining the annual emission allocations for the years 2026 to 2030, the Commission shall in addition specify for each Member State the share of the annual emission allocations corresponding to the emissions from these sectors ('sectoral annual emission benchmark').

Amendment 26

Proposal for a regulation

Article 1 – paragraph 1 – point 3a (new)

Regulation (EU) 2018/842

Article 4 - paragraph 4 a (new)

Text proposed by the Commission

Amendment

(3a) In Article 4, the following paragraph is inserted:

‘4a. Starting immediately from ... [the date of entry into force of this amending Regulation] the Commission, in close consultation with Member States, shall continuously monitor the risk of Member States exceeding their annual emission allocations due to necessity-driven higher emissions incurred in relation to measures addressing strategic emergency or crisis situations, for instance to mitigate energy and fuel supply risks, ensure recovery or provide humanitarian assistance.

Without prejudice to Article 4(1), where the Commission concludes that the annual emission allocations of a Member State could or cannot be met on the grounds stated in subparagraph 1 of this paragraph, it may temporarily adjust the annual emission allocations of that Member State through an implementing act, covering necessity-driven higher emissions while taking into due account the use of flexibilities under Article 5 and the safety reserve under Article 11.’

Amendment 27

Proposal for a regulation

Article 1 – paragraph 1 – point 3 b (new)

Regulation (EU) 2018/842

Article 4 - paragraph 5 a (new)

(3b) In Article 4, the following paragraph is added:

‘5a. When reporting on its annual assessment under Article 29 of Regulation (EU)2018/1999, the Commission shall set out the emissions covered by this Regulation and in particular state the annual emission allocations and the annual emissions of the transport sector. The report shall also take into account national circumstances, and list national measures taken in view of reducing emissions, highlighting the EU added value.’

Amendment 28

Proposal for a regulation

Article 1 – paragraph 1 – point 3 c (new)

Regulation (EU) 2018/842

Article 5

Present text

Article 5

Flexibilities by means of borrowing, banking and transfer

1. In respect of the years 2021 to **2025**, a Member State may borrow a quantity of up to 10 % from its annual emission allocation for the following year.

2. In respect of the years 2026 to 2029, a Member State may borrow a quantity of up to 5 % from its annual emission allocation for the following year.

3. A Member State whose greenhouse gas emissions for a given year are below its annual emission allocation for that year, taking into account the use of flexibilities pursuant to this Article and Article 6, may:

Amendment

(3c) Article 5 is replaced by the following:

‘Article 5

Flexibilities by means of borrowing, banking and transfer

1. In respect of the years 2021 to **2029**, a Member State may borrow a quantity of up to 10 % from its annual emission allocation for the following year.

3. A Member State whose greenhouse gas emissions for a given year are below its annual emission allocation for that year, taking into account the use of flexibilities pursuant to this Article and Article 6, may:

- (a) in respect of the year 2021, bank that excess part of its annual emission allocation to subsequent years until 2030; and
- (b) in respect of the years 2022 to 2029, bank the excess part of its annual emission allocation up to a level of 30 % of its annual emission allocations up to that year to subsequent years until 2030.

4. A Member State may transfer up to 5 % of its annual emission allocation for a given year to other Member States in respect of the years 2021 to 2025, and up to 10 % in respect of the years 2026 to 2030. *The receiving Member State may use that quantity for compliance under Article 9 for the given year or for subsequent years until 2030.*

5. A Member State whose reviewed greenhouse gas emissions for a given year are below its annual emission allocation for that year, taking into account the use of flexibilities pursuant to paragraphs 1 to 4 of this Article and Article 6, may transfer that excess part of its annual emission allocation to other Member States. The receiving Member State may use that quantity for compliance under Article 9 for that year or for subsequent years until 2030.

6. Member States *may* use revenues generated by transfers of annual emission allocations pursuant to paragraphs 4 and 5 to tackle climate change in the Union *or in third countries*. Member States shall inform the Commission of any actions taken pursuant to this paragraph.

7. Any transfer of annual emission allocations pursuant to paragraphs 4 and 5 may be the result of a greenhouse gas mitigation project or programme carried out in the selling Member State and remunerated by the receiving Member State, provided that double counting is

- (a) in respect of the year 2021, bank that excess part of its annual emission allocation to subsequent years until 2030; and

- (b) in respect of the years 2022 to 2029, bank the excess part of its annual emission allocation up to a level of 30 % of its annual emission allocations up to that year to subsequent years until 2030.

4. A Member State may transfer up to 5 % of its annual emission allocation for a given year to other Member States in respect of the years 2021 to 2025, and up to 10 % in respect of the years 2026 to 2030.

5. A Member State whose reviewed greenhouse gas emissions for a given year are below its annual emission allocation for that year, taking into account the use of flexibilities pursuant to paragraphs 1 to 4 of this Article and Article 6, may transfer that excess part of its annual emission allocation to other Member States. The receiving Member State may use that quantity for compliance under Article 9 for that year or for subsequent years until 2030.

6. Member States *shall* use revenues generated by transfers of annual emission allocations pursuant to paragraphs 4 and 5 to tackle climate change *and energy and transport poverty* in the Union *in relation to the sectors specified in Article 2*. Member States shall inform the Commission of any actions taken pursuant to this paragraph, *and make this information public*.

7. Any transfer of annual emission allocations pursuant to paragraphs 4 and 5 may be the result of a greenhouse gas mitigation project or programme carried out in the selling Member State and remunerated by the receiving Member State, provided that double counting is

avoided and traceability is ensured.

8. Member States may use credits from projects issued pursuant to Article 24a(1) of Directive 2003/87/EC for compliance under Article 9 of this Regulation without any quantitative limit, provided that double counting is avoided

avoided and traceability is ensured.

8. Member States may use credits from projects issued pursuant to Article 24a(1) of Directive 2003/87/EC for compliance under Article 9 of this Regulation without any quantitative limit, provided that double counting is avoided.

8a. A Member State whose reviewed greenhouse gas emissions from the sectors covered concurrently by this Regulation and Directive 2003/87/EC for a given year in the period 2026 to 2030 are below its sectoral annual emission benchmark for that year, may grant free allocation of ETS allowances to regulated entities under Directive 2003/87/EC in the 24 months following that year. The amount of free allocation shall be limited to the difference between the sectoral annual emission benchmark and the reviewed greenhouse gas emissions from the sectors concerned. The Member State concerned shall notify the Commission of the amount of free allocation it intends to use. That amount shall be cancelled from the Member State's annual emission allocation.'

(Regulation (EU) 2018/842)

Amendment 29

Proposal for a regulation

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

Regulation (EU) 2018/842

Article 8

Present text

Article 8

Corrective action

1. If the Commission finds, in its ***annual*** assessment under Article ***21*** of

Amendment

(5 a) Article 8 is replaced by the following:

'Article 8

Corrective action

1. If the Commission finds, in its assessment ***performed every two years***

Regulation (EU) *No 525/2013* and taking into account the intended use of the flexibilities referred to in Articles 5, 6 and 7 of this Regulation, that a Member State is not making sufficient progress towards meeting its obligations under Article 4 of this Regulation, that Member State shall, within three months, submit to the Commission a corrective action plan that includes:

(a) additional actions that the Member State shall implement in order to meet its specific obligations under Article 4 of this Regulation, through domestic policies and measures and the implementation of Union action;

(b) a strict timetable for implementing such actions, which enables the assessment of annual progress in implementation.

2. In accordance with its annual work programme, the European Environment Agency shall assist the Commission in its work to assess any such corrective action plans.

3. The Commission *may* issue an opinion regarding the robustness of the corrective action plans submitted in accordance with paragraph 1 *and shall in that case do so* within four months of receipt of those plans. The Member State concerned shall take *utmost* account of the Commission's opinion and *may* revise its corrective action plan accordingly.

under Article **29** of Regulation (EU) *2018/1999* and taking into account the intended use of the flexibilities referred to in Articles 5, 6 and 7 of this Regulation, that a Member State is not making sufficient progress towards meeting its obligations under Article 4 of this Regulation, that Member State shall, within three months, submit to the Commission a corrective action plan that includes:

(-a) an in-depth analysis of the situation in the Member State, including a socio-economic assessment evaluating the emission reduction capacity of the Member State ;

(a) additional actions that the Member State shall implement in order to meet its specific obligations under Article 4 of this Regulation, through domestic policies and measures and the implementation of Union action, *while ensuring that measures are socially, economically and environmentally sustainable;*

(b) a strict timetable for implementing such actions, which enables the assessment of annual progress in implementation.

2. In accordance with its annual work programme, the European Environment Agency shall assist the Commission in its work to assess any such corrective action plans.

3. The Commission *shall* issue an opinion regarding the robustness of the corrective action plans submitted in accordance with paragraph 1 within four months of receipt of those plans. The Member State concerned shall take *full* account of the Commission's opinion and *shall* revise its corrective action plan accordingly. *If the Member State concerned does not address a recommendation or a substantial part thereof, it shall provide an explanation.*

The corrective action plans, as well as any revisions, and the Commission's opinions referred to in the first subparagraph shall

be accessible to the public.'

(Regulation (EU) 2018/842)

Amendment 30

Proposal for a regulation

Article 1 – paragraph 1 – point 6

Regulation (EU) 2018/842

Article 9 – paragraph 2

Text proposed by the Commission

2. If *the greenhouse gas emissions of* a Member State *in the period from 2021 to 2025 referred to in Article 4 of Regulation (EU) 2018/841 exceeded its removals, as determined in accordance with Article 12 of that Regulation, the Central Administrator shall deduct from that Member State's annual emission allocations an amount equal to those excess greenhouse gas emissions in tonnes of CO₂ equivalent for the relevant years.*

Amendment

2. If a Member State *exceeds its annual emissions allowance in two or more consecutive years it shall undertake a review of its National Energy and Climate Plan and national long-term strategy. That review shall be completed within 12 months. The Commission may issue recommendations identifying how the Member State's National Energy and Climate Plan and national long-term strategy should be revised. The Member State shall notify the revised plan to the Commission together with a statement setting out how the proposed revisions will remedy non-compliance with the national AEAs and how they have responded to the Commission's recommendations where relevant. If the National Energy and Climate Plan or national long-term strategy remains substantially unaltered, the Commission shall, if appropriate, open an infringement procedure.*

Amendment 31

Proposal for a regulation

Article 1 – paragraph 1 – point 7 a (new)

Regulation (EU) 2018/842

Article 15

Present text

Amendment

(7a) Article 15 is replaced by the following:

Article 15

Review

1. This Regulation shall be kept under review taking into account, inter alia, evolving national circumstances, the manner in which all sectors of the economy contribute to the reduction of greenhouse gas emissions, international developments and efforts undertaken to achieve the long-term objectives of the Paris Agreement.

2. The Commission shall submit a report to the European Parliament and to the Council, within six months of each global stocktake agreed under Article 14 of the Paris Agreement, on the operation of this Regulation, including the balance between supply and demand for annual emission allocations, as well as on the contribution of this Regulation to the Union's overall 2030 greenhouse gas emission reduction target and its contribution to the goals of the Paris Agreement, in particular with regard to the need for additional Union policies and measures in view of the necessary greenhouse gas emission reductions by the Union and its Member States, including a post-2030 framework, and may make proposals if appropriate

‘Article 15

Review

1. This Regulation shall be kept under review taking into account, inter alia, evolving national circumstances, the manner in which all sectors of the economy contribute to the reduction of greenhouse gas emissions, ***with particular attention to the evolution of the transport sector, the costs and benefits of corresponding measures on different sectors of the economy and citizens, including all relevant climate legislation,*** international developments and efforts undertaken to achieve the long-term objectives of the Paris Agreement, ***whilst minimising the regulatory burden and avoiding overregulation.***

2. The Commission shall submit a report to the European Parliament and to the Council, within six months of each global stocktake agreed under Article 14 of the Paris Agreement, on the operation of this Regulation, including the balance between supply and demand for annual emission allocations, as well as on the contribution of this Regulation to the Union's overall 2030 greenhouse gas emission reduction target and its contribution to the goals of the Paris Agreement, in particular with regard to the need for additional Union policies and measures in view of the necessary greenhouse gas emission reductions by the Union and its Member States, including a post-2030 framework, ***or the need of withdrawing existing policies and measures when over-regulation of specific sectors occurs, namely the road and maritime sectors in this Regulation***, and may make proposals if appropriate.’

(Regulation (EU) 2018/842)

PROCEDURE – COMMITTEE ASKED FOR OPINION

Title	Amending Regulation (EU) 2018/842 on binding annual greenhouse gas emission reductions by Member States from 2021 to 2030 contributing to climate action to meet commitments under the Paris Agreement
References	COM(2021)0555 – C9-0321/2021 – 2021/0200(COD)
Committee responsible Date announced in plenary	ENVI 13.9.2021
Opinion by Date announced in plenary	TRAN 13.9.2021
Rapporteur for the opinion Date appointed	Angel Dzhambazki 10.11.2021
Discussed in committee	7.2.2022
Date adopted	28.4.2022
Result of final vote	+: 28 –: 8 0: 12
Members present for the final vote	Magdalena Adamowicz, Andris Ameriks, José Ramón Bauzá Díaz, Erik Bergkvist, Izaskun Bilbao Barandica, Paolo Borchia, Karolin Braunsberger-Reinhold, Marco Campomenosi, Massimo Casanova, Karima Delli, Anna Deparnay-Grunenberg, Ismail Ertug, Gheorghe Falcă, Giuseppe Ferrandino, Carlo Fidanza, Mario Furore, Søren Gade, Isabel García Muñoz, Jens Gieseke, Elsi Katainen, Elena Kountoura, Julie Lechanteux, Bogusław Liberadzki, Peter Lundgren, Benoît Lutgen, Elżbieta Katarzyna Łukacijewska, Marian-Jean Marinescu, Tilly Metz, Cláudia Monteiro de Aguiar, Caroline Nagtegaal, Jan-Christoph Oetjen, Philippe Olivier, Rovana Plumb, Tomasz Piotr Poręba, Dominique Riquet, Massimiliano Salini, Vera Tax, Barbara Thaler, István Ujhelyi, Henna Virkkunen, Petar Vitanov, Elissavet Vozemberg-Vrionidi, Lucia Vuolo, Roberts Zīle, Kosma Złotowski
Substitutes present for the final vote	Leila Chaibi, Clare Daly, Pär Holmgren

FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

28	+
ECR	Carlo Fidanza, Tomasz Piotr Poręba, Roberts Zīle, Kosma Złotowski
ID	Paolo Borchia, Marco Campomenosi, Massimo Casanova
PPE	Magdalena Adamowicz, Karolin Braunsberger-Reinhold, Gheorghe Falcă, Jens Gieseke, Elzbieta Katarzyna Łukacijewska, Benoît Lutgen, Marian-Jean Marinescu, Cláudia Monteiro de Aguiar, Massimiliano Salini, Barbara Thaler, Henna Virkkunen, Elissavet Vozemberg-Vrionidi, Lucia Vuolo
Renew	José Ramón Bauzá Díaz, Izaskun Bilbao Barandica, Søren Gade, Elsi Katainen, Caroline Nagtegaal, Jan-Christoph Oetjen, Dominique Riquet
S&D	István Ujhelyi

8	-
NI	Mario Furore
The Left	Leila Chaïbi, Clare Daly, Elena Kountoura
Verts/ALE	Karima Delli, Anna Deparnay-Grunenberg, Pär Holmgren, Tilly Metz

12	0
ECR	Peter Lundgren
ID	Julie Lechanteux, Philippe Olivier
S&D	Andris Ameriks, Erik Bergkvist, Ismail Ertug, Giuseppe Ferrandino, Isabel García Muñoz, Bogusław Liberadzki, Rovana Plumb, Vera Tax, Petar Vitanov

Key to symbols:

+ : in favour

- : against

0 : abstention

21.3.2022

OPINION OF THE COMMITTEE ON REGIONAL DEVELOPMENT

for the Committee on the Environment, Public Health and Food Safety

on the proposal for a regulation of the European Parliament and of the Council amending Regulation (EU) 2018/842 on binding annual greenhouse gas emission reductions by Member States from 2021 to 2030 contributing to climate action to meet commitments under the Paris Agreement
(COM(2021)0555 – C9-0321/2021 – 2021/0200(COD))

Rapporteur for opinion: Vlad-Marius Botoș

SHORT JUSTIFICATION

The Paris Agreement emphasizes the imperative need to take action to fight climate change, and to reduce the dramatic impact on the life on earth and on the future of mankind. The European Union is committed to lead by example and adapt to an environmentally-friendly approach in all the sectors of the economy and in all Member States and regions.

The cohesion policies will have to take into account that each region must strive to reach European targets and contribute to achieving climate neutrality by 2050, while also aiming for regional development. The strategies must be adapted, and the cohesion programs must prioritise the solutions to reach the targets, especially in the regions with predominant high polluting economy.

The protection of the environment, and the reduction of the greenhouse gas emissions must be a main objective present in all the development strategies at all levels. The regions need support and technical assistance in achieving their environmental goals in all the polluting sectors from industrial and transport sectors to the domestic and social ones. The reduction of the greenhouse gas emissions will only be possible with the help and the commitment of all society, including the domestic polluters.

The targets set out at the European and national levels must be realistic, achievable and backed up by accurate data. The national inventory of data needs to be corroborated with the data accumulated at the European and international level by different scientific bodies and agencies. This will contribute to better measurements, especially for the cross-border areas, in order to set out realistic targets and paths for the development and cohesion strategies at the regional level taking into account the specificities of all regions, for the efforts to reduce energy poverty and for the need to leave no one behind.

Climate ambition must go hand-in-hand with cohesion policies and the social and economic development of all regions in the European Union including the less developed and the

outermost regions.

AMENDMENTS

The Committee on Regional Development calls on the Committee on the Environment, Public Health and Food Safety, as the committee responsible, to take into account the following amendments:

Amendment 1

Proposal for a regulation

Recital 3

Text proposed by the Commission

(3) The European Green Deal³¹ combines a comprehensive set of mutually reinforcing measures and initiatives aimed at achieving climate neutrality in the Union by 2050, and sets out a new growth strategy that aims to transform the Union into a fair and prosperous society, with a modern, resource-efficient and competitive economy, where economic growth is decoupled from resource use. It also aims to protect, conserve and enhance the Union's natural capital, and protect the health and well-being of citizens from environment-related risks and impacts. At the same time, this transition affects women and men differently and has a particular impact on some disadvantaged groups, such as older people, persons with disabilities and persons with a minority racial or ethnic background. It must therefore be ensured that **the** transition is just and inclusive, **leaving** no one behind.

Amendment

(3) The European Green Deal³¹ combines a comprehensive set of mutually reinforcing measures and initiatives aimed at achieving climate neutrality in the Union by 2050, and sets out a new growth strategy that aims to transform the Union into a fair and prosperous society, with a modern, resource-efficient **technology neutral** and competitive economy **based on research and innovation as well as green jobs**, where economic growth is decoupled from resource use. It also aims to protect, conserve and enhance the Union's natural capital, and protect the health and well-being of citizens **in all regions** from environment-related risks and impacts. At the same time, this transition affects women and men differently and has a particular impact on some disadvantaged groups, such as older people, persons with disabilities, **people and families with lower incomes** and persons with a minority racial or ethnic background. **The transition also challenges regions in different ways.** It must therefore be ensured that **such** transition is just and inclusive **and that it takes into account the regions, industries and domestic sectors, which will face the**

greatest challenges, and that it leaves no one behind. Different starting points of Member States, regions, cities and their different capacity to respond should be taken into consideration in order to empower local and regional authorities and provide them with adequate funds and administrative capacity to reach climate neutrality through an inclusive approach that respects the principles set out in the “Green Deal Going Local” initiative of the Committee of the Regions.

³¹ Commission Communication - The European Green Deal, COM(2019) 640 final of 11 December 2019.

³¹ Commission Communication - The European Green Deal, COM(2019) 640 final of 11 December 2019.

Amendment 2

Proposal for a regulation Recital 4

Text proposed by the Commission

(4) In Regulation (EU) 2021/1119 of the European Parliament and of the Council³² (‘European Climate Law’), the Union has enshrined into legislation the target of economy-wide climate neutrality by 2050. That Regulation also establishes a binding Union domestic reduction commitment of net greenhouse gas emissions (emissions after deduction of removals) of at least 55% below 1990 levels by 2030.

Amendment

(4) In Regulation (EU) 2021/1119 of the European Parliament and of the Council³² (‘European Climate Law’), the Union has enshrined into legislation the target of economy-wide climate neutrality by 2050, ***while ensuring that the competitiveness and technological neutrality of the Union economy is maintained.*** That Regulation also establishes a binding Union domestic reduction commitment of net greenhouse gas emissions (emissions after deduction of removals) of at least 55% below 1990 levels by 2030, ***taking into account the different starting positions in Member States and regions as well as the principle that no one should be left behind in transition. That Regulation also lays down an obligation on the Commission to make a legislative proposal, as appropriate, to introduce a further intermediary target for 2040, to ensure a***

swift and irreversible reduction of greenhouse gas emissions over time so as to reach the Union climate-neutrality objective by 2050 at the latest and negative emissions thereafter.

³² Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving climate neutrality and amending Regulations (EC) No 401/2009 and (EU) 2018/1999 ('European Climate Law') (OJ L 243, 9.7.2021, p. 1).

³² Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving climate neutrality and amending Regulations (EC) No 401/2009 and (EU) 2018/1999 ('European Climate Law') (OJ L 243, 9.7.2021, p. 1).

Amendment 3

Proposal for a regulation

Recital 5

Text proposed by the Commission

(5) In order to implement those commitments as well as the Union's contributions under the Paris Agreement³³ adopted under the UNFCCC, the Union regulatory framework to achieve the greenhouse gas emission reduction target should be adapted.

Amendment

(5) In order to implement those commitments as well as the Union's contributions under the Paris Agreement³³ adopted under the UNFCCC, the Union regulatory framework to achieve the greenhouse gas emission reduction target should be adapted ***as well as the development strategies at national, regional and local level, taking into account the importance of the domestic energy efficiency, self-sufficiency and independence, as well as the social consequences of the transition. For this, it is important to involve private and public actors at regional and local level in order to ensure the effectiveness and acceptability of the necessary measures. Locally-produced sustainable energy, as well as energy efficiency that create positive effects on the regional economy should be taken into account.***

³³ Paris Agreement (OJ L 282, 19.10.2016, p. 4).

³³ Paris Agreement (OJ L 282, 19.10.2016, p. 4).

Amendment 4

Proposal for a regulation Recital 6

Text proposed by the Commission

(6) Regulation (EU) 2018/842 lays down obligations on Member States with respect to their minimum contributions for the period from 2021 to 2030 to fulfilling the Union's current target of reducing its greenhouse gas emissions by 30 % below 2005 levels in 2030 in the sectors covered by Article 2 of that Regulation. It also lays down rules on determining annual emission allocations and for the evaluation of Member States' progress towards meeting their minimum contributions.

Amendment

(6) Regulation (EU) 2018/842 lays down obligations on Member States with respect to their minimum contributions for the period from 2021 to 2030 to fulfilling the Union's current target of reducing its greenhouse gas emissions by 30 % below 2005 levels in 2030 in the sectors covered by Article 2 of that Regulation. It also lays down rules on determining annual emission allocations and for the evaluation of Member States' progress towards meeting their minimum contributions. ***For that purpose, an appropriate flexibility should be provided to Member States in the choice of means and methods of achieving that objective. The programming of the Cohesion Policy Funds should consider the updated development strategies aimed at boosting the capacities of the Member States in greenhouse gas emission reduction and thus at contributing to a better convergence in their targets already in this programming period.***

Amendment 5

Proposal for a regulation Recital 7

Text proposed by the Commission

(7) While emissions trading will also apply to greenhouse gas emissions from road and maritime transport as well as buildings, the scope of Regulation (EU) 2018/842 will be maintained. Regulation (EU) 2018/842 will therefore continue

Amendment

(7) While emissions trading will also apply to greenhouse gas emissions from road and maritime transport as well as buildings, the scope of Regulation (EU) 2018/842 will be maintained. Regulation (EU) 2018/842 will therefore continue

applying to the greenhouse gas emissions from domestic navigation, but not to those from international navigation. Greenhouse gas emissions of a Member State within the scope of Regulation (EU) 2018/842 to be taken into account for compliance checks will continue to be determined upon completion of inventory reviews in accordance with Regulation (EU) 2018/1999 of the European Parliament and the Council³⁴.

applying to the greenhouse gas emissions from domestic navigation, but not to those from international navigation. Greenhouse gas emissions of a Member State within the scope of Regulation (EU) 2018/842 to be taken into account for compliance checks will continue to be determined upon completion of inventory reviews in accordance with Regulation (EU) 2018/1999 of the European Parliament and the Council³⁴ ***corroborated with available data at Union and international level, whereby it is imperative that the latest available data at national, Union and international level are taken into account for the compliance check, providing a realistic picture of the situation.***

³⁴ Regulation (EU) 2018/1999 of the European Parliament and of the Council of 11 December 2018 on the Governance of the Energy Union and Climate Action, amending Regulations (EC) No 663/2009 and (EC) No 715/2009 of the European Parliament and of the Council, Directives 94/22/EC, 98/70/EC, 2009/31/EC, 2009/73/EC, 2010/31/EU, 2012/27/EU and 2013/30/EU of the European Parliament and of the Council, Council Directives 2009/119/EC and (EU) 2015/652 and repealing Regulation (EU) No 525/2013 of the European Parliament and of the Council (OJ L 328, 21.12.2018, p. 1).

³⁴ Regulation (EU) 2018/1999 of the European Parliament and of the Council of 11 December 2018 on the Governance of the Energy Union and Climate Action, amending Regulations (EC) No 663/2009 and (EC) No 715/2009 of the European Parliament and of the Council, Directives 94/22/EC, 98/70/EC, 2009/31/EC, 2009/73/EC, 2010/31/EU, 2012/27/EU and 2013/30/EU of the European Parliament and of the Council, Council Directives 2009/119/EC and (EU) 2015/652 and repealing Regulation (EU) No 525/2013 of the European Parliament and of the Council (OJ L 328, 21.12.2018, p. 1).

Amendment 6

Proposal for a regulation

Recital 8

Text proposed by the Commission

(8) In its Communication of 17 September 2020³⁵ the Commission indicated that the increased 2030 overall target can only be achieved with the contribution of all sectors.

Amendment

(8) In its Communication of 17 September 2020³⁵ the Commission indicated that the increased 2030 overall target can only be achieved with the contribution of all sectors. ***However, the***

social aspect of the transition needs to be taken into account, ensuring that green jobs are maintained or created, including through research and innovation, and that the achievement of overall targets does not lead to energy poverty, in which the economically weakest are the most affected.

³⁵ COM/2020/562 final.

³⁵ COM/2020/562 final.

Amendment 7

Proposal for a regulation

Recital 9

Text proposed by the Commission

(9) In its conclusions of 11 December 2020 the European Council mentioned that the 2030 target will be delivered collectively by the Union in the most cost-effective manner possible, that all Member States will participate in this effort, taking into account considerations of fairness and solidarity, while leaving no one behind, and that the new 2030 target needs to be achieved in a way that preserves the Union's competitiveness and takes account of Member States' different starting points and specific national circumstances **and** emission reduction potential, including those of island Member States **and** islands, as well as efforts made.

Amendment

(9) In its conclusions of 11 December 2020 the European Council mentioned that the 2030 target will be delivered collectively by the Union in the most cost-effective manner possible, that all Member States will participate in this effort, taking into account considerations of fairness and solidarity, while leaving no one behind, and that the new 2030 target needs to be achieved in a way that preserves the Union's **economic** competitiveness, **including industry and agriculture**, and takes account of Member States' different starting points and specific national circumstances, **geographical characteristics and natural conditions as well as** emission reduction potential, including those of island Member States, islands **and remote regions**, as well as efforts made.

Amendment 8

Proposal for a regulation

Recital 10

Text proposed by the Commission

(10) In order to achieve the target of reducing greenhouse gas emissions by 55%, the sectors covered by Regulation (EU) 2018/842 will need to reduce their emissions progressively until they reach 40% in 2030, compared to 2005 levels.

Amendment

(10) In order to achieve the target of reducing greenhouse gas emissions by 55%, the sectors covered by Regulation (EU) 2018/842 will need to reduce their emissions progressively until they reach ***at least -40%*** in 2030, compared to 2005 levels. ***At the same time, it is important to maintain industrial competitiveness through the implementation of innovative and climate-neutral technologies.***

Amendment 9

Proposal for a regulation

Recital 11

Text proposed by the Commission

(11) For that purpose, the greenhouse gas emission reduction target for 2030 needs to be revised for each Member State. The revision of the greenhouse gas emission reduction target should use the same methodology that was followed when Regulation (EU) 2018/842 was first adopted, where the national contributions were determined in consideration of the different capacities and cost-efficiency opportunities in Member States so to ensure a fair and balanced distribution of the effort. The reduction of the maximum greenhouse gas emissions for each Member State in 2030 should thus be determined in relation to the level of its 2005 reviewed greenhouse gas emissions covered by this Regulation, excluding verified greenhouse gas emissions from installations that operated in 2005 and which were only included in the emission trading system of the Union after 2005.

Amendment

(11) For that purpose, the greenhouse gas emission reduction target for 2030 needs to be revised for each Member State, ***taking due account of the social aspect and the social impact that could result from the consequences of the emission reduction measures.*** The revision of the greenhouse gas emission reduction target should use the same methodology that was followed when Regulation (EU) 2018/842 was first adopted, where the national contributions were determined in consideration of the different capacities and cost-efficiency opportunities in Member States so to ensure a fair and balanced distribution of the effort ***and to ensure social cohesion and development within each country as well as at Union level.*** The reduction of the maximum greenhouse gas emissions for each Member State in 2030 should thus be determined in relation to the level of its 2005 reviewed greenhouse gas emissions covered by this Regulation, excluding verified greenhouse gas emissions from installations that operated in 2005 and which were only included in the emission trading system of

the Union after 2005.

Amendment 10

Proposal for a regulation Recital 11 a (new)

Text proposed by the Commission

Amendment

(11a) The development strategies at national, regional and local level need to be adapted as well in order to achieve the targets set out in the European Green Deal and in the Paris Agreement to include clear and measurable objectives, taking into account the specificities of the regions and the development needs and aiming to reduce greenhouse gas emissions in all regions in order not only to contribute to the achievement of the targets but also to increase the quality of the environment all over the Union.

Amendment 11

Proposal for a regulation Recital 12

Text proposed by the Commission

Amendment

(12) As a consequence, it will be necessary to set, as from the year of adoption of this Regulation, new binding national limits, expressed in annual emission allocations, progressively leading to the 2030 target of each Member State, while keeping in force the annual limits established for the years preceding it as set in Commission Implementing Decision (EU) 2020/2126³⁶.

(12) As a consequence, it will be necessary to set, as from the year of adoption of this Regulation, new binding national limits, expressed in annual emission allocations, progressively ***and with flexibility for Member States about how to reach this limit***, leading to the 2030 target of each Member State, while keeping in force the annual limits established for the years preceding it as set in Commission Implementing Decision (EU) 2020/2126³⁶.

³⁶ Commission Implementing Decision (EU) 2020/2126 of 16 December 2020 on

³⁶ Commission Implementing Decision (EU) 2020/2126 of 16 December 2020 on

setting out the annual emission allocations of the Member States for the period from 2021 to 2030 pursuant to Regulation (EU) 2018/842 of the European Parliament and of the Council (OJ L 426, 17.12.2018, p. 58).

setting out the annual emission allocations of the Member States for the period from 2021 to 2030 pursuant to Regulation (EU) 2018/842 of the European Parliament and of the Council (OJ L 426, 17.12.2018, p. 58).

Amendment 12

Proposal for a regulation Recital 12 a (new)

Text proposed by the Commission

Amendment

(12a) In order to ensure that the administrative burden on both countries and the economy is minimised and that the 2030 targets are effectively achieved in each Member State, it is appropriate to set out a non-binding harmonised approach at Union level for all Member States or to make a proposal by the Commission for potential baseline implementation measures and, where appropriate, to provide technical support that can help Member States to achieve the targets.

Amendment 13

Proposal for a regulation Recital 13

Text proposed by the Commission

Amendment

(13) The COVID-19 pandemic has impacted the Union's economy and its level of emissions to a degree that cannot yet be fully quantified. On the other hand, the Union is deploying its largest stimulus package ever, also having a potential impact on the level of emissions. Due to those uncertainties, it *is* appropriate to review the emissions data *in 2025* and, if necessary, readjust the annual emission allocations.

(13) The COVID-19 pandemic has impacted the Union's economy and its level of emissions to a degree that cannot yet be fully quantified. On the other hand, the Union is deploying its largest stimulus package ever, also having a potential impact on the level of emissions. Due to those uncertainties, it *might be* appropriate to review the emissions data and, if necessary, readjust the annual emission allocations *in a way that is realistic and socially responsible, taking into account the most recent data. This should not*

endanger the Union's climate-neutrality objective by 2050.

Amendment 14

Proposal for a regulation Recital 13 a (new)

Text proposed by the Commission

Amendment

(13a) If an adjustment is needed, Member States should adapt their development strategies at all levels accordingly, taking into account the specificities and the development needs of every region and also adapt the programming of the European Structural and Investment Funds. The Commission should assess the objectives related to the reduction of the greenhouse gas emissions and ensure technical assistance in setting measurable objectives, revising the development strategies and establishing the optimal path to achieve those objectives where needed, especially for the regions with intensive polluting industries, in order to ensure the targets are achieved by each Member State.

Amendment 15

Proposal for a regulation Recital 14

Text proposed by the Commission

Amendment

(14) ***It is therefore*** appropriate to update in 2025 the annual emission allocations for the years 2026 to 2030. This should be based on a comprehensive review of the national inventory data carried out by the Commission in order to determine the average of the greenhouse gas emissions of each Member State ***during the years 2021, 2022 and 2023.***

(14) ***In so far as the data of Member States deviate significantly from the limit defined by a linear trajectory, it might be*** appropriate to update in 2025 the annual emission allocations for the years 2026 to 2030. This should be based on a comprehensive review of the national inventory data ***corroborated with the available data at the Union and***

international level carried out by the Commission in order to determine the average of the greenhouse gas emissions of each Member State.

Amendment 16

Proposal for a regulation

Recital 18

Text proposed by the Commission

(18) The setting of more ambitious targets under Regulation (EU) 2018/841 will decrease the capacity of Member States to generate net removals that can be used for compliance under Regulation (EU) 2018/842. In addition, the split of the use of the LULUCF flexibility into two separate time periods, will further limit the availability of net removals for the purpose of compliance with Regulation (EU) 2018/842. As a result, some Member States may face challenges in meeting their targets under Regulation (EU) 2018/842, while some Member States, the same or other, may generate net removals that cannot be used for compliance with Regulation (EU) 2018/842. As long as the Union objectives as set out in Article 3 of Regulation (EU) 2021/1119 are met, in particular with regard to the maximum limit of the contribution of net removals, it is appropriate to create a new voluntary mechanism, in the form of an additional reserve, that will help adhering Member States to comply with their obligations.

Amendment

(18) The setting of more ambitious, ***but realistic***, targets under Regulation (EU) 2018/841 will decrease the capacity of Member States to generate net removals that can be used for compliance under Regulation (EU) 2018/842. In addition, the split of the use of the LULUCF flexibility into two separate time periods, will further limit the availability of net removals for the purpose of compliance with Regulation (EU) 2018/842. As a result, some Member States may face challenges in meeting their targets under Regulation (EU) 2018/842, while some Member States, the same or other, may generate net removals that cannot be used for compliance with Regulation (EU) 2018/842. As long as the Union objectives as set out in Article 3 of Regulation (EU) 2021/1119 are met, in particular with regard to the maximum limit of the contribution of net removals, it is appropriate to create a new voluntary mechanism, in the form of an additional reserve, that will help adhering Member States to comply with their obligations.

Amendment 17

Proposal for a regulation

Recital 18 a (new)

Text proposed by the Commission

Amendment

(18a) Keeping the 1,5 °C target of the Paris Agreement within reach requires a collective effort of all sectors of the economy, including from agriculture, as outlined in the long-term strategic vision of the Commission for a prosperous, modern, competitive and climate-neutral economy^{1a}. Member States are required to develop long-term strategies in order to fulfil their commitments to the Paris Agreement objectives and the achievement of long-term greenhouse gas emission reductions and enhancements of removals by sinks in all sectors in line with the Union's climate neutrality objective. Those strategies, as well as other Member State plans and reports under Regulation (EU) 2018/1999, should be used by the Commission to set and monitor the collective achievement of EU-level Effort Sharing Regulation sector targets.

Amendment 18

Proposal for a regulation

Article 1 – paragraph 1 – point 1

Regulation (EU) 2018/842

Article 1

Text proposed by the Commission

(1) In Article 1, “30%” is replaced by “40%”;

Amendment

(1) In Article 1, “30%” is replaced by “**at least 40%**”;

Amendment 19

Proposal for a regulation

Article 1 – paragraph 1 – point 3

Regulation (EU) 2018/842

Article 4 – paragraph 2 – point b

Text proposed by the Commission

(b) do not exceed, in the years 2023,

Amendment

(b) do not exceed, in the years 2023 **to**

2024 and 2025, the limit defined by a linear trajectory starting in 2022 at the annual emission allocation for that Member State, as set out pursuant to paragraph 3 of this Article for that year, and ending in 2030 at the limit set for that Member State in column 2 of Annex I to this Regulation;

2030, the limit defined by a linear trajectory starting in 2022 at the annual emission allocation for that Member State, as set out pursuant to paragraph 3 of this Article for that year, and ending in 2030 at the limit set for that Member State in column 2 of Annex I to this Regulation;

Amendment 20

Proposal for a regulation

Article 1 – paragraph 1 – point 3

Regulation (EU) 2018/842

Article 4 – paragraph 2 – point c

Text proposed by the Commission

Amendment

(c) do not exceed, in the years 2026 to 2030, the limit defined by a linear trajectory starting in 2024, at the average of its greenhouse gas emissions during the years 2021, 2022 and 2023, as submitted by the Member State pursuant to Article 26 of Regulation (EU) 2018/1999, and ending in 2030 at the limit set for that Member State in column 2 of Annex I to this Regulation.

deleted

Amendment 21

Proposal for a regulation

Article 1 – paragraph 1 – point 3

Regulation (EU) 2018/842

Article 4 – paragraph 3 – subparagraph 2

Text proposed by the Commission

Amendment

For the years 2021 and 2022, it shall determine the annual emission allocations based on a comprehensive review of the most recent national inventory data for the years 2005 and 2016 to 2018 submitted by the Member States pursuant to Article 7 of Regulation (EU) No 525/2013 and indicate the value for the 2005 greenhouse gas

For the years 2021 and 2022, it shall determine the annual emission allocations based on a comprehensive review of the most recent national inventory data for the years 2005 and 2016 to 2018 submitted by the Member States pursuant to Article 7 of Regulation (EU) No 525/2013 **corroborated with available data at the**

emissions of each Member State used to determine those annual emission allocations.

Union and international level and indicate the *corresponding* value for the 2005 greenhouse gas emissions of each Member State used to determine those annual emission allocations.

Amendment 22

Proposal for a regulation

Article 1 – paragraph 1 – point 3

Regulation (EU) 2018/842

Article 4 – paragraph 3 – subparagraph 3

Text proposed by the Commission

For the years 2023, **2024 and 2025**, it shall determine the annual emission allocations based on the value for the 2005 greenhouse gas emissions of each Member State indicated pursuant to the second subparagraph and the reviewed values of the national inventory data for the years 2016, 2017 and 2018 referred to in the second subparagraph.

Amendment

For the years 2023 **to 2030**, it shall determine the annual emission allocations based on the value for the 2005 greenhouse gas emissions of each Member State indicated pursuant to the second subparagraph ***corroborated with available data at the Union and international level*** and the reviewed values of the national inventory data for the years 2016, 2017 and 2018 referred to in the second subparagraph.

Amendment 23

Proposal for a regulation

Article 1 – paragraph 1 – point 3

Regulation (EU) 2018/842

Article 4 – paragraph 3 – subparagraph 4

Text proposed by the Commission

For the years 2026 to 2030, it shall determine the annual emission allocations based on the value for the 2005 greenhouse gas emissions of each Member State indicated pursuant to the second subparagraph and on a comprehensive review of the most recent national inventory data for the years 2021, 2022 and 2023 submitted by the

Amendment

deleted

Member States pursuant to Article 26 of Regulation (EU) 2018/1999.

Amendment 24

Proposal for a regulation

Article 1 – paragraph 1 – point 3

Regulation (EU) 2018/842

Article 4 – paragraph 3 a (new)

Text proposed by the Commission

Amendment

3a. *Where a Member State has exceeded the annual emission allocations for three years, the Commission shall provide technical assistance in setting the objectives and measurable targets for the reduction of greenhouse gas emissions, adapting the development strategies and establishing paths to achieve those objectives in particular for the regions with intensive-polluting industries and domestic sectors, and ensuring that the transition is just and inclusive, reduces the energy poverty and leaves no one behind.*

Amendment 25

Proposal for a regulation

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

Regulation (EU) 2018/842

Article 8 – paragraph 3

Text proposed by the Commission

Amendment

(5a) *In Article 8, paragraph 3 is replaced by the following:*

3. *The Commission shall issue an opinion, accessible to the public, regarding the robustness of the corrective action plans submitted in accordance with paragraph 1 and shall in that case do so within four months of receipt of those plans. The Member State concerned shall*

take utmost account of the Commission's opinion and shall revise its corrective action plan accordingly. The Member State concerned shall provide reasons where it does not address a recommendation or a substantial part thereof and shall make them public.

Amendment 26

Proposal for a regulation

Article 1 – paragraph 1 – point 6

Regulation (EU) 2018/842

Article 9 – paragraph 2 a (new)

Text proposed by the Commission

Amendment

2a. If a Member State exceeds its annual emissions allowance in two consecutive years it shall undertake a review of its National Energy and Climate Plan and national Long-Term Strategy. This review shall be completed within 12 months. The Member State shall notify the revised plan to the Commission together with a statement setting out how the proposed revisions will remedy non-compliance with the national annual emission allowances. If the national energy and climate plan or national long-term strategy remains substantially unaltered, the Member State shall publish an explanation setting out its reasoning.

Amendment 27

Proposal for a regulation

Article 1 – paragraph 1 – point 7

Regulation (EU) 2018/842

Article 11a – paragraph 4 – point d a (new)

Text proposed by the Commission

Amendment

(da) the Member State has implemented the adapted development

strategies under Article 4 paragraph 3a.

PROCEDURE – COMMITTEE ASKED FOR OPINION

Title	Amending Regulation (EU) 2018/842 on binding annual greenhouse gas emission reductions by Member States from 2021 to 2030 contributing to climate action to meet commitments under the Paris Agreement
References	COM(2021)0555 – C9-0321/2021 – 2021/0200(COD)
Committee responsible Date announced in plenary	ENVI 13.9.2021
Opinion by Date announced in plenary	REGI 13.9.2021
Rapporteur for the opinion Date appointed	Vlad-Marius Botoș 27.9.2021
Discussed in committee	6.12.2021
Date adopted	15.3.2022
Result of final vote	+: 23 –: 7 0: 11
Members present for the final vote	Matteo Adinolfi, François Alfonsi, Pascal Arimont, Adrian-Dragoș Benea, Tom Berendsen, Erik Bergkvist, Stéphane Bijoux, Franc Bogovič, Vlad-Marius Botoș, Rosanna Conte, Andrea Cozzolino, Corina Crețu, Rosa D’Amato, Christian Doleschal, Raffaele Fitto, Chiara Gemma, Mircea-Gheorghe Hava, Krzysztof Hetman, Peter Jahr, Manolis Kefalogiannis, Ondřej Knotek, Constanze Krehl, Cristina Maestre Martín De Almagro, Nora Mebarek, Martina Michels, Alin Mituța, Dan-Ștefan Motreanu, Niklas Nienaaß, Andrey Novakov, Younous Omarjee, Alessandro Panza, Tsvetelina Penkova, Caroline Roose, Marcos Ros Sempere, André Rougé, Susana Solís Pérez, Irène Tolleret, Valdemar Tomaševski, Monika Vana
Substitutes present for the final vote	Mathilde Androuët, Daniel Buda

FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

23	+
NI	Chiara Gemma
Renew	Stéphane Bijoux, Vlad-Marius Botoș, Ondřej Knotek, Alin Mituța, Susana Solís Pérez, Irène Tolleret
S&D	Adrian-Dragoș Benea, Erik Bergkvist, Andrea Cozzolino, Corina Crețu, Constanze Krehl, Cristina Maestre Martín De Almagro, Nora Mebarek, Tsvetelina Penkova, Marcos Ros Sempere
The Left	Martina Michels, Younous Omarjee
Verts/ALE	François Alfonsi, Rosa D'Amato, Niklas Nienaa, Caroline Roose, Monika Vana

7	-
ECR	Raffaele Fitto, Valdemar Tomaševski
ID	Matteo Adinolfi, Mathilde Androuët, Rosanna Conte, Alessandro Panza, André Rougé

11	0
PPE	Pascal Arimont, Tom Berendsen, Franc Bogovič, Daniel Buda, Christian Doleschal, Mircea-Gheorghe Hava, Krzysztof Hetman, Peter Jahr, Manolis Kefalogiannis, Dan-Ștefan Motreanu, Andrey Novakov

Key to symbols:

+ : in favour

- : against

0 : abstention

24.3.2022

OPINION OF THE COMMITTEE ON AGRICULTURE AND RURAL DEVELOPMENT

for the Committee on the Environment, Public Health and Food Safety

on the proposal for a regulation of the European Parliament and of the Council amending Regulation (EU) 2018/842 on binding annual greenhouse gas emission reductions by Member States from 2021 to 2030 contributing to climate action to meet commitments under the Paris Agreement

(COM(2021)0555 – C9-0321/2021 – 2021/0200(COD))

Rapporteur for opinion: Norbert Lins

SHORT JUSTIFICATION

Background - Fit for 55 package

In July 2021 the European Commission has presented its package on delivering the European Green Deal. The Fit for 55 package, the biggest set of climate measures in the EU history, aims at revising different pieces of legislation in order to deliver on the new EU target of at least 55% net emissions reduction by 2030 compared to 1990 levels. The proposed package foresees at least 52.8% emissions reduction and at least 310 Mt of net removals by carbon sinks by 2030. In order to be in line with science, this target needs to both be more ambitious and to be filled with concrete measures.

The IPCC has been sounding the alarm for years: 1.5°C of global warming is dire, 2°C would be catastrophic. The current 1.2°C of warming has already led to natural disasters, population displacement, crop failures and biodiversity loss, in the Union and beyond. The outcome of the last UNFCCC, COP26, is also very clear: according to current NDCs, global emissions are set to increase until 2030 and beyond, while they should be reduced by at least -45% by 2030 compared to 2010 levels if we are to limit global warming to 1.5°C. Especially after COP26, it is clear that the European Union is obligated to speed up its emissions reductions this decade, and show higher ambitions to address the climate emergency.

Early action must be prioritised through an ambitious trajectory. An overwhelming majority of scientific studies, reflecting the global consensus, including the last IPCC report¹, have showed that 2020-2030 is the decisive decade to act against the climate and biodiversity crisis.

¹ <https://www.ipcc.ch/report/ar6/wg1/>

Effort Sharing in the Fit for 55 package

As part of this package, the Effort Sharing Regulation (ESR) sets targets and monitors the effort of Member States in order to decrease greenhouse gas emissions in sectors not covered by the EU's Emissions Trading System. Covering 60% of the EU's greenhouse gas emissions, the ESR is one of the keystones of the EU climate policy and must deliver substantial emission reductions. This revision is the opportunity to bring the EU and Member States' targets in line with the Paris Climate Agreement, while closing the loopholes that currently undermine the law's effectiveness.

Keeping ESR sectors efforts in line with the Paris Climate Agreement

The ESR sets binding emission reduction targets for Member States, which cover several sectors, including agriculture. The Commission's proposal keeps the scope of the ESR and increases the overall EU emission reductions target from a 30% to 40% reduction compared to 2005 by 2030. Member States remain responsible for delivering the emission reductions in all ESR sectors.

Although this revision is welcome, the ambition level included in the reviewed ESR is still far from aligned with the Paris Climate Agreement goal – for which overall at least a 55% emission reduction compared to 2005 levels would be needed in the ESR covered sectors.

Increased ambitions must go hand in hand with incentivising sectors that have not delivered any substantial emission reduction so far, such as agriculture - which only contributed to 1% of the emissions reduction effort for the effort sharing sectors between 2005 and 2018, while still being the third biggest emitter². Member States have often chosen to focus their reduction efforts in other sectors, but agriculture must now also contribute substantially to tackling climate change. The opportunity to develop minimum sector contributions at EU level must be recognised, so that we can equitably share the burden and have all sectors play their designated part.

Placing ESR on the path toward 2050 EU neutrality

Under the current Regulation, several flexibilities have been granted to Member States in view of reaching their overall Effort Sharing targets. Those flexibilities have proven to undermine the overall objective of the Regulation by slowing down efforts by all Member States to decarbonise ESR sectors, in particular agriculture. Expanding those flexibilities would further undermine EU climate action. In particular, the proposal to use increased net removals from the LULUCF sector to compensate for the lack of emissions reduction in the ESR sectors run counter to the principle of ensuring that all sectors contribute to the climate target enshrined in the EU Climate Law. Removals by natural carbon sinks must increase at the same time as fossil emissions are drastically reduced.

² European Environment Agency, National action across all sectors needed to reach greenhouse gas Effort Sharing targets, Briefing, 10 March 2020 - <https://www.eea.europa.eu/themes/climate/trends-and-projections-in-europe/national-action-across-all-sectors>

In order to provide predictability and confidence for all economic actors, including businesses, workers, investors and consumers, and to ensure a swift and irreversible reduction of greenhouse gas emissions over time in view of reaching net-zero GHG emissions by 2050 at the latest and negative emissions thereafter, the European Commission must set targets beyond 2030. By the end of 2025, and taking into account the GHG budget set out under the EU Climate Law as well as the advice of the European Scientific Advisory Board on Climate Change, the Commission ought to come up with a proposal for EU and Member State ESR targets, as well as EU-level minimum sector contributions, for the period post 2030. These targets ought to be 5-year targets in order to align with the common timeframes agreed during COP26, to fully achieve EU climate commitments, and to reach the climate-neutrality objective as currently set out in the EU Climate Law.

AMENDMENTS

The Committee on Agriculture and Rural Development calls on the Committee on the Environment, Public Health and Food Safety, as the committee responsible, to take into account the following amendments:

Amendment 1

Proposal for a regulation

Recital 3

Text proposed by the Commission

(3) The European Green Deal³¹ combines a comprehensive set of mutually reinforcing measures and initiatives aimed at achieving climate neutrality in the Union by 2050, and sets out a new growth strategy that aims to transform the Union into a fair and prosperous society, **with a** modern, resource-efficient and competitive **economy**, where **economic growth** is decoupled from resource use. It also aims to protect, conserve and enhance the Union's natural capital, and protect the health and well-being of citizens from environment-related risks and impacts. At the same time, this transition affects women and men differently and has a particular impact on some disadvantaged groups, such as older people, persons with disabilities and persons with a minority racial or ethnic background. It must

Amendment

(3) The European Green Deal³¹ combines a comprehensive set of mutually reinforcing, **efficient and equitable** measures and initiatives aimed at achieving climate neutrality in the Union by 2050, **which represents a major challenge**, and sets out a new growth strategy that aims to transform **gradually and responsibly** the Union into a fair and prosperous society, **based on research and innovation and green jobs, with an economy intended to be** modern, resource-efficient and competitive, where **the economy and people's wellbeing** is decoupled from resource use. It also aims to protect, conserve and enhance the Union's natural capital, and protect the health and well-being of citizens from environment-related risks and impacts. At the same time, **the European Green Deal establishes the**

therefore be ensured that the transition is just and inclusive, leaving no one behind.

need to ensure an effective and fair transition, to give investors predictability and to ensure the irreversibility of the transition process. This transition has different impacts on different Member States and regions, depending in particular on physical geographical characteristics and natural features. It affects women and men differently and has a particular impact on some disadvantaged groups, such as older people, persons with disabilities, persons at risk of energy poverty and persons with a minority racial or ethnic background. It must therefore be ensured that the transition is just and inclusive, based on realistic aims and on a fair and balanced distribution of efforts between Member States, leaving no one behind. As regards the agricultural sector, the importance of external convergence in the CAP should be recognised as Member States benefit at different levels from CAP payments under Regulation (EU) 2021/2115 of the European Parliament and of the Council^{31a}, and this impacts the economic position of their farmers and capacity to participate in the efforts required to deliver their contribution under this Regulation.

³¹ Commission Communication - The European Green Deal, COM(2019)0640 of 11 December 2019.

³¹ Commission Communication - The European Green Deal, COM(2019)0640 of 11 December 2019.

^{31a} *Regulation (EU) 2021/2115 of the European Parliament and of the Council of 2 December 2021 establishing rules on support for strategic plans to be drawn up by Member States under the common agricultural policy (CAP Strategic Plans) and financed by the European Agricultural Guarantee Fund (EAGF) and by the European Agricultural Fund for Rural Development (EAFRD) and repealing Regulations (EU) No 1305/2013 and (EU) No 1307/2013 (OJ L 435, 6.12.2021, p. 1).*

Amendment 2

Proposal for a regulation Recital 4

Text proposed by the Commission

(4) In Regulation (EU) 2021/1119 of the European Parliament and of the Council³² (‘European Climate Law’), the Union has enshrined into legislation the target of economy-wide climate neutrality by 2050. That Regulation also establishes a binding Union domestic reduction commitment of net greenhouse gas emissions (emissions after deduction of removals) of at least 55% below 1990 levels by 2030.

³² Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving climate neutrality and amending Regulations (EC) No 401/2009 and (EU) 2018/1999 (‘European Climate

Amendment

(4) In Regulation (EU) 2021/1119 of the European Parliament and of the Council³² (‘European Climate Law’), the Union has enshrined into legislation the target of economy-wide climate neutrality by 2050. That Regulation also establishes a binding Union domestic reduction commitment of net greenhouse gas emissions (emissions after deduction of removals) of at least 55% below 1990 levels by 2030. ***That Regulation also lays down an obligation on the Commission to make a legislative proposal, as appropriate, to introduce further intermediary targets, to ensure a swift and irreversible reduction of greenhouse gas emissions over time so as to reach the Union climate-neutrality objective by 2050 at the latest. This Regulation ensures that the sectors not covered by the ETS do their part to achieve the goals of the climate law, taking into account Member States’ different starting points, the social aspect of the transition, assessments of distributional impacts and their effects on sector-specific competitiveness. This Regulation also paves the way for the setting of post-2030 Union’s greenhouse gas emissions reduction targets in the sectors covered by Article 2 of this Regulation and of Member States’ minimum contributions to the fulfilment of those post-2030 Union’s targets;***

³² Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving climate neutrality and amending Regulations (EC) No 401/2009 and (EU) 2018/1999 (‘European Climate

Law’) (OJ L 243, 9.7.2021, p. 1).

Law’) (OJ L 243, 9.7.2021, p. 1).

Amendment 3

Proposal for a regulation

Recital 5

Text proposed by the Commission

(5) In order to implement those commitments as well as the Union’s contributions under the Paris Agreement³³ adopted under the UNFCCC, the Union regulatory framework to achieve the greenhouse gas emission reduction target should be adapted.

³³ Paris Agreement (OJ L 282, 19.10.2016, p. 4).

Amendment

(5) In order to implement those commitments as well as the Union’s contributions under the Paris Agreement³³ adopted under the UNFCCC, the Union regulatory framework to achieve the greenhouse gas emission reduction target should be adapted, ***both up to and beyond 2030. It should in particular, ensure that a balance is struck between, on the one hand, the need to achieve the ambitious climate targets and, on the other, ensuring an optimal level of distribution of efforts between sectors in Member States to adapt to the targets, so as to ensure convergence between regions. In accordance with Article 2(1), point (b), of the Paris Agreement, climate neutrality by 2050 is to be reached in a manner that ensures adequate long-term food production, secures a just transition, does not threaten food security and takes into account the efforts that the agriculture sector is already making.***

³³ Paris Agreement (OJ L 282, 19.10.2016, p. 4).

Amendment 4

Proposal for a regulation

Recital 7

Text proposed by the Commission

(7) ***While emissions trading will also apply to greenhouse gas emissions from***

Amendment

(7) The scope of Regulation (EU) 2018/842 ***is maintained and emissions***

road and maritime transport as well as buildings, the scope of Regulation (EU) 2018/842 *will be* maintained. Regulation (EU) 2018/842 will therefore continue applying to the greenhouse gas emissions from domestic navigation, but not to those from international navigation. Greenhouse gas emissions of a Member State within the scope of Regulation (EU) 2018/842 to be taken into account for compliance checks will continue to be determined upon completion of inventory reviews in accordance with Regulation (EU) 2018/1999 of the European Parliament and the Council³⁴.

trading should be accompanied by national emission reduction measures, so as to mitigate the negative impacts of carbon pricing on vulnerable consumers. Regulation (EU) 2018/842 will therefore continue applying to the greenhouse gas emissions from domestic navigation, but not to those from international navigation. Greenhouse gas emissions of a Member State within the scope of Regulation (EU) 2018/842 to be taken into account for compliance checks will continue to be determined upon completion of inventory reviews in accordance with Regulation (EU) 2018/1999 of the European Parliament and the Council³⁴, *and it is essential that the latest available data at national, Union and international level is taken into account to verify compliance, so as to give a realistic picture of the actual situation.*

³⁴ Regulation (EU) 2018/1999 of the European Parliament and of the Council of 11 December 2018 on the Governance of the Energy Union and Climate Action, amending Regulations (EC) No 663/2009 and (EC) No 715/2009 of the European Parliament and of the Council, Directives 94/22/EC, 98/70/EC, 2009/31/EC, 2009/73/EC, 2010/31/EU, 2012/27/EU and 2013/30/EU of the European Parliament and of the Council, Council Directives 2009/119/EC and (EU) 2015/652 and repealing Regulation (EU) No 525/2013 of the European Parliament and of the Council (OJ L 328, 21.12.2018, p. 1).

³⁴ Regulation (EU) 2018/1999 of the European Parliament and of the Council of 11 December 2018 on the Governance of the Energy Union and Climate Action, amending Regulations (EC) No 663/2009 and (EC) No 715/2009 of the European Parliament and of the Council, Directives 94/22/EC, 98/70/EC, 2009/31/EC, 2009/73/EC, 2010/31/EU, 2012/27/EU and 2013/30/EU of the European Parliament and of the Council, Council Directives 2009/119/EC and (EU) 2015/652 and repealing Regulation (EU) No 525/2013 of the European Parliament and of the Council (OJ L 328, 21.12.2018, p. 1).

Amendment 5

Proposal for a regulation Recital 9 a (new)

Text proposed by the Commission

Amendment

(9a) In implementing this Regulation, account should be taken of Article 349 of

the Treaty on the Functioning of the European Union (TFEU), which acknowledges the particular vulnerability of the outermost regions arising from their remoteness from mainland regions, insularity, small size, difficult topography and climate and economic dependence on a few products, a combination that severely restrains their development and generates substantial extra costs in many areas, particularly for transport. Efforts being made and targets set at Union level for greenhouse gas reduction must be adapted to this difficult situation, balancing environmental objectives against the high social costs for these regions.

Amendment 6

Proposal for a regulation

Recital 11

Text proposed by the Commission

(11) For that purpose, the greenhouse gas emission reduction target for 2030 needs to be revised for each Member State. The revision of the greenhouse gas emission reduction target *should use* the same methodology that was followed when Regulation (EU) 2018/842 was first adopted, where the national contributions were determined in consideration of the different capacities and cost-efficiency opportunities in Member States so to ensure a fair and balanced distribution of the effort. The reduction of the maximum greenhouse gas emissions for each Member State in 2030 should thus be determined in relation to the level of its 2005 reviewed greenhouse gas emissions covered by this Regulation, excluding verified greenhouse gas emissions from installations that operated in 2005 and which were only included in the emission trading system of the Union after 2005.

Amendment

(11) For that purpose, the greenhouse gas emission reduction target for 2030, *taking due account of the social consequences that may arise from the dynamics of greenhouse gas emission reductions*, needs to be revised, for each Member State *to be able to play its part in addressing this transnational challenge*. The revision of the greenhouse gas emission reduction target *should respect the principle of "leaving no-one behind" and avoid shifting the burden of responsibility onto the Member States facing the greatest transformational challenges*. The same *elements of methodology should be used* that was followed when Regulation (EU) 2018/842 was first adopted, where the national contributions were determined in consideration of the different capacities and cost-efficiency opportunities in Member States so to ensure a fair and balanced distribution of the effort. The

reduction of the maximum greenhouse gas emissions for each Member State in 2030 should thus be determined in relation to the level of its 2005 reviewed greenhouse gas emissions covered by this Regulation, excluding verified greenhouse gas emissions from installations that operated in 2005 and which were only included in the emission trading system of the Union after 2005. ***Given that Member States need to achieve those targets with national measures, Member States should be given some flexibility in the choice of means for achieving these targets.***

Amendment 7

Proposal for a regulation Recital 12

Text proposed by the Commission

(12) As a consequence, it will be necessary to set, as from the year of adoption of this Regulation, new binding national limits, expressed in annual emission allocations, progressively leading to the 2030 target of each Member State, while keeping in force the annual limits established for the years preceding it as set in Commission Implementing Decision (EU) 2020/2126³⁶.

³⁶ Commission Implementing Decision (EU) 2020/2126 of 16 December 2020 on setting out the annual emission allocations of the Member States for the period from 2021 to 2030 pursuant to Regulation (EU) 2018/842 of the European Parliament and of the Council (OJ L 426, 17.12.2018, p. 58).

Amendment

(12) As a consequence, it will be necessary to set, as from the year of adoption of this Regulation ***and in line with the relevant environmental impact study***, new binding national limits, expressed in annual emission allocations, progressively leading to the 2030 target of each Member State, while keeping in force the annual limits established for the years preceding it as set in Commission Implementing Decision (EU) 2020/2126³⁶ ***and factoring in the specific cost-benefit ratio for each region.***

³⁶ Commission Implementing Decision (EU) 2020/2126 of 16 December 2020 on setting out the annual emission allocations of the Member States for the period from 2021 to 2030 pursuant to Regulation (EU) 2018/842 of the European Parliament and of the Council (OJ L 426, 17.12.2018, p. 58).

Amendment 8

Proposal for a regulation Recital 13

Text proposed by the Commission

(13) The COVID-19 pandemic has impacted the Union's economy and its level of emissions to a degree that cannot yet be fully quantified. On the other hand, the Union is deploying its largest stimulus package ever, also having a potential impact on the level of emissions. Due to those uncertainties, it is appropriate to review the emissions data in 2025 and, if necessary, readjust the annual emission allocations.

Amendment

(13) The COVID-19 pandemic has impacted the Union's economy and its level of emissions to a degree that cannot yet be fully quantified. On the other hand, the Union is deploying its largest stimulus package ever, also having a potential impact on the level of emissions. ***Regard should be paid to ensuring that the targets under this Regulation do not cause food production to be relocated outside of the Union and that the sectors concerned remain internationally competitive.*** Due to those uncertainties, it is appropriate to review the emissions data in 2025 and, if necessary, readjust the annual emission allocations.

Amendment 9

Proposal for a regulation Recital 15

Text proposed by the Commission

(15) Under Regulation (EU) 2018/842, the cancellation of a limited quantity of emission allowances in the European Union emission trading system may be taken into account for some Member States' compliance under Regulation (EU) 2018/842. Given the particular structure of Malta's economy, the national reduction target of that Member State based on Gross Domestic Product per capita is significantly above its cost-effective reduction potential, is therefore appropriate to increase Malta's access to that flexibility, without compromising the 2030 target of the Union on emission reductions.

Amendment

(15) Under Regulation (EU) 2018/842, the cancellation of a limited quantity of emission allowances in the European Union emission trading system may be taken into account for some Member States' compliance under Regulation (EU) 2018/842. Given the particular structure of Malta's economy, the national reduction target of that Member State based on Gross Domestic Product per capita is significantly above its cost-effective reduction potential, is therefore appropriate to increase Malta's access to that flexibility, without compromising the 2030 target of the Union on emission reductions. ***The Member States that are entitled to that flexibility but did not make use of it***

in the 2019 context, should be given the possibility to revise that decision to take account of the new national reduction targets. Member States concerned should also be allowed to revise their notified percentages in a more targeted way.

Amendment 10

Proposal for a regulation

Recital 16

Text proposed by the Commission

(16) In addition to that flexibility, a limited quantity of net removals and net emissions from land use, land-use change and forestry ('LULUCF') may be taken into account for Member States' compliance under Regulation (EU) 2018/842 ('the LULUCF flexibility'). In order to ensure that sufficient mitigation efforts are deployed until 2030, it is appropriate to limit the use of the LULUCF flexibility by separating the use of such flexibility into two separate time periods, each capped by a limit corresponding to half of the maximum amount of total net removals set out in Annex III to Regulation (EU) 2018/842. It is also appropriate to bring the title of Annex III in line with the amendment to Regulation (EU) 2018/841 carried out by Commission Delegated Regulation (EU) 2021/268 of 28 October 2020³⁷. As a consequence, there is no longer a need for Regulation (EU) 2018/842 to provide for a legal basis allowing the Commission to adopt delegated acts to amend the title of its Annex III. Article 7(2) of Regulation (EU) 2018/842 should therefore be deleted.

³⁷ Commission Delegated Regulation (EU)

Amendment

(16) In addition to that flexibility, ***considering the close relationship between the agriculture and forestry sectors, when establishing a new political and legal framework to achieve the Union's climate goals***, a limited quantity of net removals and net emissions from land use, land-use change and forestry ('LULUCF') may be taken into account for Member States' compliance under Regulation (EU) 2018/842 ('the LULUCF flexibility'). In order to ensure that sufficient mitigation efforts are deployed until 2030, it is appropriate to limit the use of the LULUCF flexibility by separating the use of such flexibility into two separate time periods, each capped by a limit corresponding to half of the maximum amount of total net removals set out in Annex III to Regulation (EU) 2018/842. It is also appropriate to bring the title of Annex III in line with the amendment to Regulation (EU) 2018/841 carried out by Commission Delegated Regulation (EU) 2021/268 of 28 October 2020³⁷. As a consequence, there is no longer a need for Regulation (EU) 2018/842 to provide for a legal basis allowing the Commission to adopt delegated acts to amend the title of its Annex III. Article 7(2) of Regulation (EU) 2018/842 should therefore be deleted.

³⁷ Commission Delegated Regulation (EU)

2021/268 of 28 October 2020 amending Annex IV to Regulation (EU) 2018/841 of the European Parliament and of the Council as regards the forest reference levels to be applied by the Member States for the period 2021-2025 (OJ L 60, 22.2.2021, p. 21).

2021/268 of 28 October 2020 amending Annex IV to Regulation (EU) 2018/841 of the European Parliament and of the Council as regards the forest reference levels to be applied by the Member States for the period 2021-2025 (OJ L 60, 22.2.2021, p. 21).

Amendment 11

Proposal for a regulation

Recital 17 a (new)

Text proposed by the Commission

Amendment

(17a) Member States and competent authorities should assign specific budgets to incentivise farmers to deliver emission reductions, and provide investment in infrastructure for decarbonisation technologies, including for small and medium farms. Union and national authorities should work closely with all relevant stakeholders to develop an enabling environment and vital financial support mechanisms for the transition to carbon neutrality so that the sector can fully contribute to the goal of reaching net zero GHG emissions.

Amendment 12

Proposal for a regulation

Recital 17 b (new)

Text proposed by the Commission

Amendment

(17b) Tools such as the adopted Climate, Energy and Environmental State aid guidelines (CEEAG) are instrumental to ensure that the agricultural sector plays a full role in the achievement of the Union's climate targets, while maintaining food production at affordable prices. The Commission should ensure the addition of new sub-sectors to the guidelines as required, such as these

covered by the Emission Trading System or included in the carbon leakage list.

Amendment 13

Proposal for a regulation Recital 18

Text proposed by the Commission

(18) The setting of more ambitious targets under Regulation (EU) 2018/841 will decrease the capacity of Member States to generate net removals that can be used for compliance under Regulation (EU) 2018/842. In addition, the split of the use of the LULUCF flexibility into two separate time periods, will further limit the availability of net removals for the purpose of compliance with Regulation (EU) 2018/842. As a result, some Member States may face challenges in meeting their targets under Regulation (EU) 2018/842, while some Member States, the same or other, may generate net removals that cannot be used for compliance with Regulation (EU) 2018/842. As long as the Union objectives as set out in Article 3 of Regulation (EU) 2021/1119 are met, in particular with regard to the maximum limit of the contribution of net removals, it is appropriate to create a new voluntary mechanism, in the form of an additional reserve, that will help adhering Member States to comply with their obligations.

Amendment

(18) The setting of more ambitious targets under Regulation (EU) 2018/841 will decrease the capacity of Member States to generate net removals that can be used for compliance under Regulation (EU) 2018/842. In addition, the split of the use of the LULUCF flexibility into two separate time periods, will further limit the availability of net removals for the purpose of compliance with Regulation (EU) 2018/842. As a result, some Member States may face challenges in meeting their targets under Regulation (EU) 2018/842, while some Member States, the same or other, may generate net removals that cannot be used for compliance with Regulation (EU) 2018/842. As long as the Union objectives as set out in Article 3 of Regulation (EU) 2021/1119 are met, in particular with regard to the maximum limit of the contribution of net removals, it is appropriate to create a new voluntary mechanism, in the form of an additional reserve, that will help adhering Member States to comply with their obligations *in the most cost-effective way.*

Amendment 14

Proposal for a regulation Recital 18 a (new)

Text proposed by the Commission

Amendment

(18a) Some Member States will face major challenges in meeting the targets under this Regulation. It is therefore

important to ensure flexibility, anticipation and transferability. The introduction of minimum contributions by sector would not only place the targets at risk but also prevent them from being achieved.

Amendment 15

Proposal for a regulation Recital 18 b (new)

Text proposed by the Commission

Amendment

(18b) In setting the targets for this Regulation, account should be taken of the fact that Member States are not starting from a level playing field either between or within different sectors. Achieving the reduction targets should not compromise the agricultural sector's ability to ensure food security in Europe and the world.

Amendment 16

Proposal for a regulation Recital 18 c (new)

Text proposed by the Commission

Amendment

(18c) The Commission is called upon to establish a roadmap for determining the Union's targets for reducing greenhouse gas emissions after 2030 in certain sectors. The Commission is also invited to examine how the agricultural sector can be merged with the LULUCF sectors after 2030. A regulatory impact assessment should be carried out prior to the introduction of any legislative measure.

Amendment 17

Proposal for a regulation
Article 1 – paragraph 1 – point 1
Regulation (EU) 2018/842
Article 1

Text proposed by the Commission

Amendment

(1) *In Article 1, “30%” is replaced by “40%”;* **deleted**

Amendment 18

Proposal for a regulation
Article 1 – paragraph 1 – point 1 a (new)
Regulation (EU) 2018/842
Article 1

Present text

Amendment

Article 1

(1a) *Article 1 is replaced by the following:*

Article 1

Subject matter

Subject matter

This Regulation lays down obligations on Member States with respect to their minimum contributions for the period from 2021 to 2030 to fulfilling the Union’s target of reducing its greenhouse gas emissions by **30 %** below 2005 levels **in 2030** in the sectors covered by Article 2 of this Regulation **and contributes to achieving the objectives of the Paris Agreement. This Regulation also lays down rules on determining annual emission allocations and for the evaluation of Member States’ progress towards meeting their minimum contributions.**

1. This Regulation contributes to achieving the objectives of the Paris Agreement and the Union’s objective of climate neutrality by 2050 at the latest as set out in Article 2 of Regulation (EU) 2021/1119 (‘European Climate Law’);

When setting the linear reduction targets, the Commission is called upon to take account of the need to gradually align burden sharing between Member States. The objective for 2050 is for all Member States to be climate neutral. It is therefore important to avoiding create major gaps between Member States. When

determining how the burden is shared, cost-effectiveness and fairness shall be increasingly taken into account alongside GDP per capita, also beyond 2030.

2. This Regulation lays down obligations on Member States with respect to their minimum contributions for the period from 2021 to 2030 to fulfilling the Union's target of reducing its greenhouse gas emissions by **40 %** below 2005 levels **by 2030** in the sectors covered by Article 2 of this Regulation;

(<https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:32018R0842&from=EN#d1e508-26-1>)

Amendment 19

Proposal for a regulation

Article 1 – paragraph 1 – point 2 a (new)

Regulation (EU) 2018/842

Article 3 a (new)

Text proposed by the Commission

Amendment

(2a) Article 3a is added:

‘Article 3a

The classification of sustainability criteria for biofuels, bioliquids and biomass fuels is governed by Directive (EU) 2018/2001.’

Amendment 20

Proposal for a regulation

Article 1 – paragraph 1 – point 3

Regulation (EU) 2018/842

Article 4 – paragraph 3 – subparagraph 1

Text proposed by the Commission

Amendment

3. The Commission shall adopt implementing acts setting out the annual emission allocations for each Member State for the years from 2021 to 2030 in tonnes of CO₂ equivalent in accordance

3. The Commission shall adopt implementing acts setting out the annual emission allocations for each Member State for the years from 2021 to 2030 in tonnes of CO₂ equivalent in accordance

with the linear trajectories set out in paragraph 2.

with the linear trajectories set out in paragraph 2, **taking into consideration cost-efficiency and proportionality.**

Amendment 21

Proposal for a regulation

Article 1 – paragraph 1 – point 3 a (new)

Regulation (EU) 2018/842

Article 5 – paragraph 4

Present text

(4) A Member State may transfer up to 5 % of its annual emission allocation for a given year to other Member States in respect of the years 2021 to 2025, and up to 10 % in respect of the years 2026 to 2030. **The receiving Member State may use that quantity for compliance under Article 9 for the given year or for subsequent years until 2030.**

Amendment

(3a) Article 5(4) is amended as follows:

‘(4) A Member State may transfer up to 5 % of its annual emission allocation for a given year to other Member States in respect of the years 2021 to 2025, and up to 10 % in respect of the years 2026 to 2030. **Member States shall inform the Commission of any actions taken pursuant to this paragraph, and the transfer price per tonne of CO₂ equivalent.**’

(<https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:32018R0842&from=EN#d1e636-26-1>)

Amendment 22

Proposal for a regulation

Article 1 – paragraph 1 – point 5 – point b – point ii

Regulation (EU) 2018/842

Article 7 – paragraph 1 – point a

Text proposed by the Commission

(a) the cumulative quantity taken into account for that Member State for the years 2021 to 2025 does not exceed **half** of the maximum amount of total net removals set out in Annex III to this Regulation for that Member State;

(aa) the cumulative quantity taken into account for that Member State for the years 2026 to 2030 does not exceed **half** of the

Amendment

(a) the cumulative quantity taken into account for that Member State for the years 2021 to 2025 does not exceed **75%** of the maximum amount of total net removals set out in Annex III to this Regulation for that Member State;

(aa) the cumulative quantity taken into account for that Member State for the years 2026 to 2030 does not exceed **75%** of the

maximum amount of total net removals set out in Annex III to this Regulation for that Member State;

maximum amount of total net removals set out in Annex III to this Regulation for that Member State;

(aa a) the total cumulative quantity taken into account for that Member State for the years 2021 to 2030 does not exceed the maximum amount of total net removals set out in Annex III to this Regulation for that Member State.

Amendment 23

Proposal for a regulation

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

Regulation (EU) 2018/842

Article 8 – paragraph 3

Present text

3. The Commission **may** issue an opinion regarding the robustness of the corrective action plans submitted in accordance with paragraph 1 and shall in that case do so within four months of receipt of those plans. The Member State concerned shall take utmost account of the Commission's opinion and **may** revise its corrective action plan accordingly.

Amendment

(5 a) The third paragraph of Article 8 is replaced by the following:

3. The Commission **shall** issue an opinion regarding the robustness of the corrective action plans submitted in accordance with paragraph 1 and shall in that case do so within four months of receipt of those plans. The Member State concerned shall take utmost account of the Commission's opinion and **shall** revise its corrective action plan accordingly. ***If the Member State concerned does not address a recommendation or a substantial part thereof, that Member State shall provide and make its reasons public.***

(<https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:32018R0842&from=EN#d1e508-26-1>)

Amendment 24

Proposal for a regulation

Article 1 – paragraph 1 – point 6

Regulation (EU) 2018/842

Article 9 – paragraph 2

Text proposed by the Commission

(2) If the greenhouse gas emissions of a Member State in the period from 2021 to 2025 referred to in Article 4 of Regulation (EU) 2018/841 exceeded its removals, as determined in accordance with Article 12 of that Regulation, the Central Administrator shall deduct from that Member State's annual emission allocations an amount equal to those excess greenhouse gas emissions in tonnes of CO₂ equivalent for the relevant years. '.

Amendment

(2) If the greenhouse gas emissions of a Member State in the period from 2021 to 2025 referred to in Article 4 of Regulation (EU) 2018/841 exceeded its removals, as determined in accordance with Article 12 of that Regulation, the Central Administrator shall deduct from that Member State's annual emission allocations an amount equal to those excess greenhouse gas emissions in tonnes of CO₂ equivalent for the relevant years. ***If a Member State exceeds its emission allocations for two consecutive years, it shall provide reasoning in a report to the Commission and explain what changes it will make to its long-term national strategy.***

PROCEDURE – COMMITTEE ASKED FOR OPINION

Title	Amending Regulation (EU) 2018/842 on binding annual greenhouse gas emission reductions by Member States from 2021 to 2030 contributing to climate action to meet commitments under the Paris Agreement
References	COM(2021)0555 – C9-0321/2021 – 2021/0200(COD)
Committee responsible Date announced in plenary	ENVI 13.9.2021
Opinion by Date announced in plenary	AGRI 13.9.2021
Rapporteur for the opinion Date appointed	Norbert Lins 23.3.2022
Previous rapporteur for the opinion	Pär Holmgren
Discussed in committee	25.1.2022
Date adopted	22.3.2022
Result of final vote	+: 30 –: 14 0: 3
Members present for the final vote	Mazaly Aguilar, Clara Aguilera, Atidzhe Alieva-Veli, Álvaro Amaro, Carmen Avram, Adrian-Dragoş Benea, Mara Bizzotto, Daniel Buda, Isabel Carvalhais, Asger Christensen, Angelo Ciocca, Ivan David, Paolo De Castro, Jérémy Decerle, Salvatore De Meo, Herbert Dorfmann, Luke Ming Flanagan, Dino Giarrusso, Francisco Guerreiro, Martin Häusling, Martin Hlaváček, Krzysztof Jurgiel, Jarosław Kalinowski, Elsi Katainen, Camilla Laureti, Gilles Lebreton, Julie Lechanteux, Norbert Lins, Colm Markey, Ulrike Müller, Maria Noichl, Juozas Olekas, Eugenia Rodríguez Palop, Bronis Ropė, Bert-Jan Ruissen, Anne Sander, Petri Sarvamaa, Simone Schmiedtbauer, Annie Schreijer-Pierik, Marc Tarabella, Veronika Vrecionová, Sarah Wiener, Juan Ignacio Zoido Álvarez
Substitutes present for the final vote	Pär Holmgren, Cristina Maestre Martín De Almagro, Alin Mituța, Christine Schneider

FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

30	+
ID	Ivan David
PPE	Álvaro Amaro, Daniel Buda, Salvatore De Meo, Herbert Dorfmann, Jarosław Kalinowski, Norbert Lins, Colm Markey, Anne Sander, Petri Sarvamaa, Simone Schmiedtbauer, Christine Schneider, Annie Schreijer-Pierik, Juan Ignacio Zoido Álvarez
Renew	Atidzhe Alieva-Veli, Asger Christensen, Jérémy Decerle, Martin Hlaváček, Elsi Katainen, Alin Mituța, Ulrike Müller
S&D	Clara Aguilera, Carmen Avram, Adrian-Dragoș Benea, Isabel Carvalhais, Paolo De Castro, Camilla Laureti, Cristina Maestre Martín De Almagro, Juozas Olekas, Marc Tarabella

14	-
ECR	Mazaly Aguilar, Krzysztof Jurgiel, Bert-Jan Ruissen, Veronika Vrecionová
ID	Gilles Lebreton, Julie Lechanteux
S&D	Maria Noichl
The Left	Luke Ming Flanagan, Eugenia Rodríguez Palop
Verts/ALE	Francisco Guerreiro, Martin Häusling, Pär Holmgren, Bronis Ropé, Sarah Wiener

3	0
ID	Mara Bizzotto, Angelo Ciocca
NI	Dino Giarrusso

Key to symbols:

+ : in favour

- : against

0 : abstention

PROCEDURE – COMMITTEE RESPONSIBLE

Title	Amending Regulation (EU) 2018/842 on binding annual greenhouse gas emission reductions by Member States from 2021 to 2030 contributing to climate action to meet commitments under the Paris Agreement			
References	COM(2021)0555 – C9-0321/2021 – 2021/0200(COD)			
Date submitted to Parliament	14.7.2021			
Committee responsible Date announced in plenary	ENVI 13.9.2021			
Committees asked for opinions Date announced in plenary	BUDG 13.9.2021	ITRE 13.9.2021	TRAN 13.9.2021	REGI 13.9.2021
	AGRI 13.9.2021			
Not delivering opinions Date of decision	BUDG 31.8.2021	ITRE 15.9.2021		
Rapporteurs Date appointed	Jessica Polfjärd 17.9.2021			
Discussed in committee	27.9.2021	10.2.2022		
Date adopted	17.5.2022			
Result of final vote	+: -: 0:	61 20 6		
Members present for the final vote	Mathilde Androuët, Margrete Auken, Simona Baldassarre, Marek Paweł Balt, Traian Băsescu, Hildegard Bentele, Alexander Bernhuber, Simona Bonafè, Delara Burkhardt, Pascal Canfin, Sara Cerdas, Mohammed Chahim, Tudor Ciuhodaru, Nathalie Colin-Oesterlé, Esther de Lange, Christian Doleschal, Marco Dreosto, Bas Eickhout, Cyrus Engerer, Agnès Evren, Pietro Fiocchi, Raffaele Fitto, Catherine Griset, Jytte Guteland, Teuvo Hakkarainen, Martin Hojsík, Pär Holmgren, Yannick Jadot, Adam Jarubas, Petros Kokkalis, Ewa Kopacz, Peter Liese, Sylvia Limmer, Javi López, César Luena, Marian-Jean Marinescu, Fulvio Martusciello, Liudas Mažylis, Joëlle Mélin, Tilly Metz, Silvia Modig, Dolors Montserrat, Alessandra Moretti, Ville Niinistö, Ljudmila Novak, Grace O’Sullivan, Jutta Paulus, Stanislav Polčák, Jessica Polfjärd, Nicola Procaccini, Luisa Regimenti, Frédérique Ries, María Soraya Rodríguez Ramos, Sándor Rónai, Rob Rooken, Silvia Sardone, Christine Schneider, Günther Sidl, Ivan Vilibor Sinčić, Linea Sogaard-Lidell, Nils Torvalds, Edina Tóth, Véronique Trillet-Lenoir, Petar Vitanov, Alexandr Vondra, Mick Wallace, Pernille Weiss, Emma Wiesner, Michal Wiezik, Tiemo Wölken, Anna Zalewska			
Substitutes present for the final vote	Michael Bloss, Manuel Bompard, Milan Brglez, Stelios Kypourouopoulos, Manuela Ripa, Christel Schaldemose, Vincenzo Sofo, Idoia Villanueva Ruiz			
Date tabled	24.5.2022			

FINAL VOTE BY ROLL CALL IN COMMITTEE RESPONSIBLE

61	+
NI	Ivan Vilibor Sinčić
PPE	Hildegard Bentele, Alexander Bernhuber, Nathalie Colin-Oesterlé, Christian Doleschal, Agnès Evren, Adam Jarubas, Ewa Kopacz, Stelios Kypouropoulos, Peter Liese, Fulvio Martusciello, Liudas Mažylis, Dolores Montserrat, Ljudmila Novak, Jessica Polfjård, Stanislav Polčák, Luisa Regimenti, Christine Schneider, Maria Spyrali, Pernille Weiss, Esther de Lange
Renew	Pascal Canfin, Andreas Glück, Martin Hojsík, Jan Huitema, Frédérique Ries, María Soraya Rodríguez Ramos, Linea Sogaard-Lidell, Nils Torvalds, Véronique Trillet-Lenoir, Emma Wiesner, Michal Wiezik, Nicolae Ștefănuță
S&D	Marek Paweł Balt, Monika Beňová, Simona Bonafè, Milan Brglez, Delara Burkhardt, Sara Cerdas, Mohammed Chahim, Tudor Ciuhodaru, Cyrus Engerer, Jytte Guteland, César Luena, Javi López, Alessandra Moretti, Sándor Rónai, Christel Schaldemose, Günther Sidl, Petar Vitanov, Tiemo Wölken
Verts/ALE	Margrete Auken, Michael Bloss, Bas Eickhout, Pär Holmgren, Yannick Jadot, Tilly Metz, Ville Niinistö, Grace O'Sullivan, Jutta Paulus, Manuela Ripa

20	-
ECR	Sergio Berlato, Pietro Fiocchi, Raffaele Fitto, Nicola Procaccini, Rob Rooken, Vincenzo Sofo, Alexandr Vondra, Anna Zalewska
ID	Mathilde Androuët, Simona Baldassarre, Aurélie Beigneux, Marco Dreosto, Catherine Griset, Teuvo Hakkarainen, Sylvia Limmer, Joëlle Mélin, Silvia Sardone
NI	Edina Tóth
PPE	Traian Băsescu, Marian-Jean Marinescu

6	0
The Left	Malin Björk, Manuel Bompard, Petros Kokkalis, Silvia Modig, Idoia Villanueva Ruiz, Mick Wallace

Key to symbols:

+ : in favour

- : against

0 : abstention