



EUROPEAN PARLIAMENT

2009 - 2014

Committee on the Environment, Public Health and Food Safety

2012/0202(COD)

20.12.2012

AMENDMENTS

8 - 42

Draft report

Matthias Groote

(PE498.154v01-00)

on the proposal for a decision of the European Parliament and of the Council amending Directive 2003/87/EC clarifying provisions on the timing of auctions of greenhouse gas allowances

Proposal for a decision

(COM(2012)0416 – C7-0203/2012 – 2012/0202(COD))

Amendment 8
Eija-Riitta Korhola, Françoise Grossetete

Proposal for a decision

-

Proposal for rejection

***The European Parliament rejects the
Commission proposal.***

Or. en

Amendment 9
Tadeusz Cymański, Jolanta Hibner, Giancarlo Scottà

Proposal for a decision

-

Proposal for rejection

***The European Parliament rejects the
Commission proposal.***

Or. en

Justification

The backloading proposal of the European Commission would be an intervention in the previously established market mechanism, which undermines the ETS predictability and credibility. Moreover, in the current economic crisis situation, it is unacceptable to impose additional energy costs on the European citizens. It is also a real threat to our industries which are already suffering from lack of global competitiveness.

Amendment 10
Theodoros Skylakakis

Proposal for a decision

Title

Text proposed by the Commission

Amendment

Proposal for a

deleted

**DECISION OF THE EUROPEAN
PARLIAMENT AND OF THE
COUNCIL**

**amending Directive 2003/87/EC clarifying
provisions on the timing of auctions of
greenhouse gas allowances**

(Text with EEA relevance)

Or. el

Justification

The aim of the ETS is to reduce emissions & not pricing. In periods of recession, the Commission intervenes directly in the market against the solar energy industry & consumers. According to the UK Dept of Energy & Climate Change, revenue generated by complete withdrawal of 900Mt of allowances would come disproportionately from economically weaker MS. The charge as a percentage of GDP would be higher in Bulgaria, Estonia, Romania, Czech Republic, Slovakia, Lithuania and Greece.

Amendment 11

Jolanta Emilia Hibner, Bogusław Sonik, Tadeusz Cymański, Filip Kaczmarek

Proposal for a decision

Citation 1

Text proposed by the Commission

Amendment

Having regard to the Treaty on the
Functioning of the European Union, and in
particular Article 192(1) thereof,

Having regard to the Treaty on the
Functioning of the European Union, and in
particular Article 192(2) thereof,

Or. en

Justification

As changing the timetable of functioning of the market, influence significant Member State's choice between different energy sources the general structure of its energy supply. The proper legal base should be Article 192.2 TFEU

Amendment 12
Theodoros Skylakakis

Proposal for a decision
Recital 1

Text proposed by the Commission

(1) Article 10(4) of Directive 2003/87/EC of the European Parliament and of the Council of 13 October 2003 establishing a scheme for greenhouse gas emission allowance trading within the Community and amending Council Directive 96/61/EC does not specify how volumes of greenhouse gas emission allowances to be auctioned are to be distributed over the trading period.

Amendment

deleted

Or. el

Amendment 13
Romana Jordan

Proposal for a decision
Recital 1

Text proposed by the Commission

(1) Article 10(4) of Directive 2003/87/EC of the European Parliament and of the Council of 13 October 2003 establishing a scheme for greenhouse gas emission allowance trading within the Community and amending Council Directive 96/61/EC does not specify how volumes of greenhouse gas emission allowances to be auctioned are to be distributed over the trading period.

Amendment

(1) Article 10(4) of Directive 2003/87/EC of the European Parliament and of the Council of 13 October 2003 establishing a scheme for greenhouse gas emission allowance trading within the Community and amending Council Directive 96/61/EC does not specify how volumes of greenhouse gas emission allowances to be auctioned are to be distributed over the trading period. **Article 9 of Directive 2003/87/EC provides that the quantity of allowances is to decrease by a linear factor of 1,74 % compared to the average annual total quantity of allowances issued by Member States;**

Justification

To restore the credibility of the ETS as a market based system it should be clear that any back-loading can only be a one-off and exceptional measure

Amendment 14
Holger Kraemer

Proposal for a decision
Recital 1 a (new)

Text proposed by the Commission

Amendment

(1a) In accordance with Article 2(b) of Council Decision 1999/468/EC, the regulatory procedure can only be used to change non-essential provisions of the basic legal act. In accordance with Article 9 of Directive 2003/87/EC the Commission determines the absolute Community-wide quantity of allowances on an annual basis. The Commission has no discretionary power with respect to the absolute amount of allowances. Article 10 of Directive 2003/87/EC provides for the auctioning of allowances on the basis of the absolute amount determined under the procedure provided for in Article 9 of Directive 2003/87/EC. The auctioning process is designed to amend non-essential elements of the directive. The Commission's proposal to amend Article 10, paragraph 4, subparagraph 1, last sentence of Directive 2003/87/EC – namely the determination of the appropriate corrections to the annual volumes of emission trading allowances to be auctioned in 2013 – 2020 – are in essence an intervention in the basic requirements laid down in Article 9 of Directive 2003/87/EC. Such interventions can only be determined in the ordinary legislative procedure and cannot be considered as a non-essential adjustment

of the basic legal act. Hence such corrections cannot be decided through a comitology procedure (regulatory procedure with scrutiny) as proposed by the Commission; they require a legislative act by both the European Parliament and the Council upon a proposal from the Commission.

Or. en

Justification

Any change of the time table would be an essential change of the basic legal act, due to its potential influence on certificate prices, as analyzed in the Proportionate Impact Assessment amending Regulation (EU) No 1031/2010.

Amendment 15
Holger Kraemer

Proposal for a decision
Recital 1 b (new)

Text proposed by the Commission

Amendment

(1b) Recalling the aim of Directive 2003/87/EC, the European emission trading system was established in order to promote reductions of greenhouse gas emissions in a cost-effective and economically efficient manner.

Or. en

Justification

The cap and trade system guarantees that given emission reduction aims are reached in a cost efficient manner. It is the cap that secures emission reductions, not the price.

Amendment 16
Holger Kraemer

Proposal for a decision
Recital 1 c (new)

Text proposed by the Commission

Amendment

(1c) The Commission Communication entitled "A Stronger European Industry for Growth and Economic Recovery" (COM(2012)0582) recalls that "affordable and reliable access to energy and raw materials are becoming increasingly important as they account for a significant part of the cost in many industries" while "European industry is on the average facing higher prices than industries in other developed economies such as the US, Canada, Mexico and Korea, and this price gap has increased over the last decade". That communication concludes that "the impact on the price of energy in Europe should be carefully considered when defining future energy policies".

Or. en

Justification

The cap and trade system guarantees that given emission reduction aims are reached in a cost efficient manner. It is the cap that secures emission reductions, not the price. High prices only lead to economic distortions and threat the competitiveness of the European industry.

Amendment 17
Theodoros Skylakakis

Proposal for a decision
Recital 2

Text proposed by the Commission

Amendment

(2) For the purposes of legal certainty and market predictability, it should be clarified that, in order to ensure an orderly functioning of the market, the Commission is able in exceptional ***deleted***

circumstances to adapt the auction timetable pursuant to Article 10(4) of Directive 2003/87/EC.

Or. el

Justification

The aim of the ETS is to reduce emissions & not pricing. In periods of recession, the Commission intervenes directly in the market against the solar energy industry & consumers. According to the UK Dept of Energy & Climate Change, revenue generated by complete withdrawal of 900Mt of allowances would come disproportionately from economically weaker MS. The charge as a percentage of GDP would be higher in Bulgaria, Estonia, Romania, Czech Republic, Slovakia, Lithuania and Greece.

Amendment 18
Holger Krahmer, Theodoros Skylakakis

Proposal for a decision
Recital 2

Text proposed by the Commission

(2) For the purposes of legal certainty and market predictability, it should be clarified that, in order to ensure an orderly functioning of the market, the Commission **is able in exceptional circumstances to** adapt the auction timetable pursuant to Article 10(4) of Directive 2003/87/EC.

Amendment

(2) For the purposes of legal certainty and market predictability, it should be clarified that, in order to ensure an orderly functioning of the market, the Commission **shall not** adapt the auction timetable pursuant to Article 10(4) of Directive 2003/87/EC.

Or. en

Justification

The European emission trading system was established in order to promote reductions of greenhouse gas emissions in a cost-effective and economically efficient manner. The existing auctioning timetable delivers predictability and guarantees the achievements of the CO2 reduction targets by 2020. Any adaptation of the auctioning timetable would seriously distort the orderly functioning of the market and hence contradict the market-based ETS rules.

Amendment 19
Romana Jordan

Proposal for a decision
Recital 2

Text proposed by the Commission

(2) For the purposes of legal certainty and market predictability, it should be clarified that, in order to ensure an orderly functioning of the market, the Commission is able in exceptional circumstances to adapt the auction timetable pursuant to Article 10(4) of Directive 2003/87/EC.

Amendment

(2) For the purposes of legal certainty and market predictability, it should be clarified that, in order to ensure an orderly functioning of the market, the Commission is able in exceptional circumstances to adapt the auction timetable pursuant to Article 10(4) of Directive 2003/87/EC ***provided that such intervention can be justified by an impact assessment showing that the Union is at risk of not reaching a reduction of emissions in 2020 in the Union scheme of 21 % below reported 2005 emission levels and that the intervention does not have a significant carbon leakage impact. The Commission should be able to make no more than one such adaptation and only during the eight-year period beginning on 1 January 2013.***

Or. en

Justification

To restore the credibility of the ETS as a market based system it should be clear that any back-loading can only be a one-off and exceptional measure.

Amendment 20
Jolanta Emilia Hibner, Bogusław Sonik, Tadeusz Cymański, Filip Kaczmarek

Proposal for a decision
Recital 2

Text proposed by the Commission

(2) For the purposes of legal certainty and market predictability, it should be clarified

Amendment

(2) For the purposes of legal certainty and market predictability, it should be clarified

that, in order to ensure an orderly functioning of the market, the Commission is able in exceptional circumstances to adapt the auction timetable pursuant to Article 10(4) of Directive 2003/87/EC.

that, in order to ensure an orderly functioning of the market **and to prevent excessive price fluctuations**, the Commission is able in exceptional circumstances to adapt the auction timetable pursuant to Article 10(4) of Directive 2003/87/EC.

Or. en

Amendment 21
Romana Jordan

Proposal for a decision
Recital 2 a (new)

Text proposed by the Commission

Amendment

(2a) If the Commission decides to temporarily withhold a certain number of allowances it should ensure that these allowances will be reintroduced in the market in a linear manner starting from the year following the date of the respective market intervention.

Or. en

Justification

The "theoretic" intention to withhold a number of allowances in the first three years and to bring them back on the market in the last two years would contradict with the provisions of Art. 9; it should therefore at least be clarified that a linear decrease continues after the intervention.

Amendment 22
Holger Krahmer, Theodoros Skylakakis

Proposal for a decision
Recital 2 a (new)

Text proposed by the Commission

Amendment

(2a) The given emission reduction aims for 2020 will be reached at any price – even at EUR 0 per certificate – due to the limited number of allowances representing the overall cap of the emission trading system.

Or. en

Justification

The cap and trade system guarantees that given emission reduction aims are reached in a cost efficient manner. It is the cap that secures emission reductions, not the price.

Amendment 23
Theodoros Skylakakis

Proposal for a decision
Recital 3

Text proposed by the Commission

Amendment

(3) Directive 2003/87/EC should therefore be amended accordingly, ***deleted***

Or. el

Justification

The aim of the ETS is to reduce emissions & not pricing. In periods of recession, the Commission intervenes directly in the market against the solar energy industry & consumers. According to the UK Dept of Energy & Climate Change, revenue generated by complete withdrawal of 900Mt of allowances would come disproportionately from economically weaker MS. The charge as a percentage of GDP would be higher in Bulgaria, Estonia, Romania, Czech Republic, Slovakia, Lithuania and Greece.

Amendment 24
Romana Jordan

Proposal for a decision
Recital 3 a (new)

Text proposed by the Commission

Amendment

(3a) In addition to this amendment of Directive 2003/87/EC the Commission should include in the next revision of the Emission Trading Scheme proposals for implementing a more dynamic approach for the allocation of allowances. That approach should be based on actual production factors rather than on historic reference periods, which have proven to make the ETS unable to properly adapt to economic upturns and downturns. While ensuring the required absolute reductions over the entire period, the allocation system should allow for ex-post adjustments in order to avoid the need for further interventions by the Commission such as to mitigate over-allocation as well as unjustified shortages of allowances.

Or. en

Justification

One of the main reasons for the over-allocation of allowances lays in the system's incapability to adapt to economic crisis situations. When negotiating on the current ETS directive arguments in favour of more dynamic allocation rules have been rejected by the COM. A majority of Member States seems supportive to base the allocation on actual production. Ex-ante set allocations based on actual production with the option of ex-post adjustments (as done for example in taxation) would avoid unjustified overhang of allowances as well as unjustified shortages while ensuring the achievement of the target. A structural ETS amendment should therefore as well look into amending the allocation rules.

Amendment 25
Bas Eickhout, Corinne Lepage, Sabine Wils

Proposal for a decision
Recital 3 a (new)

Text proposed by the Commission

Amendment

(3a) In order to be consistent with a cost-effective trajectory towards the European Council objective to achieve 80-95% greenhouse gas reductions by 2050, it is necessary to adjust the linear factor provided for in Directive 2003/87/EC.

Or. en

Amendment 26

Peter Liese, Anja Weisgerber

Proposal for a decision

Recital 3 a (new)

Text proposed by the Commission

Amendment

(3a) In the light of potentially higher prices for certificates the guidelines on certain State aid measures in the context of the greenhouse gas emission allowance trading scheme post-2012 (SWD(2012) 130 final) (SWD(2012) 131 final) (indirect emissions) and the criteria laid down in Article 10 a (14-17) of Directive 2009/29/EC of the European Parliament and of the Council of 23 April 2009 (direct emissions) should be considered for a revision in the light of the risk of carbon leakage and distortion of competition between sectors.

Or. en

Justification

While some industries have received very generous treatment of free allowances there are energy intensive producers which are either exposed to unfair competition because their direct competitors benefit from free allocation of allowances (for example the gypsum sector) or whose level of compensation in consideration of their ultra-energy-intensity (for example the aluminium sector) is too low. Thus, the guidelines on certain State aid measures should reflect this situation and the criteria which determine the carbon leakage list should be

revised in order to allow the inclusion of energy efficient sectors with a comparatively low carbon footprint.

Amendment 27

Jo Leinen, Fiona Hall, Dan Jørgensen, Corinne Lepage

Proposal for a decision

Recital 3 a (new)

Draft legislative resolution

Amendment

3a. In order to maintain an orderly functioning of the market, the Commission should, where appropriate, make a proposal for permanent structural solutions in particular to determine the volumes of greenhouse gas emission allowances to be auctioned in the period 2013-2020, with the aim of the proposed act entering into force by June 2014.

Or. en

Amendment 28

Bas Eickhout, Corinne Lepage, Sabine Wils

Proposal for a decision

Recital 3 b (new)

Text proposed by the Commission

Amendment

(3b) In light of the need to maintain the incentives of the system and to make it more effective, and to restore the level of ambition envisaged at the time of the adoption of the climate package, it is necessary to permanently retire an amount of 1,4 billion allowances from the auctions foreseen for years 2015, 2016 and 2017.

Or. en

Amendment 29
Theodoros Skylakakis

Proposal for a decision
Article 1

Text proposed by the Commission

Amendment

Article 1

deleted

In the first subparagraph of Article 10(4) of Directive 2003/87/EC the following sentence is added:

"The Commission shall, where appropriate, adapt the timetable for each period so as to ensure an orderly functioning of the market."

Or. el

Justification

The aim of the ETS is to reduce emissions & not pricing. In periods of recession, the Commission intervenes directly in the market against the solar energy industry & consumers. According to the UK Dept of Energy & Climate Change, revenue generated by complete withdrawal of 900Mt of allowances would come disproportionately from economically weaker MS. The charge as a percentage of GDP would be higher in Bulgaria, Estonia, Romania, Czech Republic, Slovakia, Lithuania and Greece.

Amendment 30
Sabine Wils

Proposal for a decision
Article 1 – paragraph - 1(new)
Directive 2003/87/EC
Article 9 – paragraph 2 a (new)

Text proposed by the Commission

Amendment

-1. In Article 9, the following paragraph is inserted:

"From 2014 onwards the linear reduction factor shall be 3.9 %."

Or. en

Amendment 31
Bas Eickhout, Corinne Lepage

Proposal for a decision
Article 1 – paragraph - 1 (new)
Directive 2003/87/EC
Article 9 – paragraph 2 a (new)

Text proposed by the Commission

Amendment

-1. In Article 9, the following paragraph is inserted:

"From 2014 onwards the linear reduction factor shall be 2.5%."

Or. en

Amendment 32
Bas Eickhout, Corinne Lepage, Sabine Wils

Proposal for a decision
Article 1 – paragraph - 1a (new)
Directive 2003/87/EC
Article 10 – paragraph 2 a (new)

Text proposed by the Commission

Amendment

-1a. In Article 10, the following paragraph is inserted:

"2a. As a one-off derogation from paragraph 1, a total of 1.4 billion allowances shall be permanently retired from the amount of allowances to be auctioned for years 2015, 2016, 2017 subject to paragraph 2(b)."

Or. en

Amendment 33
Romana Jordan

Proposal for a decision
Article 1 – paragraph 1 – introductory part

Text proposed by the Commission

In the first subparagraph of Article 10(4) of Directive 2003/87/EC the following *sentence is* added:

Amendment

In the first subparagraph of Article 10(4) of Directive 2003/87/EC the following *sentences are* added:

Or. en

Amendment 34
Holger Krahmer, Theodoros Skylakakis

Proposal for a decision
Article 1 – paragraph 1
Directive 2003/87/EC
Article 10 – paragraph 4 – subparagraph 1

Text proposed by the Commission

The Commission shall, *where appropriate*, adapt the timetable for each period so as to ensure an orderly functioning of the market.

Amendment

The Commission shall *not* adapt the timetable for each period so as to ensure an orderly functioning of the market.

Or. en

Justification

The European emission trading system was established in order to promote reductions of greenhouse gas emissions in a cost-effective and economically efficient manner. The existing auctioning timetable delivers predictability and guarantees the achievements of the CO2 reduction targets by 2020. Any adaption of the auctioning timetable would seriously distort the orderly functioning of the market and hence contradict the market-based ETS rules.

Amendment 35
Romana Jordan

Proposal for a decision
Article 1 – paragraph 1
Directive 2003/87/EC
Article 10 – paragraph 4 – subparagraph 1

Text proposed by the Commission

The Commission **shall**, where appropriate, adapt the timetable for **each** period so as to ensure an orderly functioning of the market.

Amendment

Where an impact assessment shows that the Union is not on track to reach a reduction of emissions in 2020 in the Union scheme as required by this directive and that the impact on installations exposed to a significant risk of carbon leakage is limited the Commission **may**, where appropriate, adapt the timetable for **the period referred to in Article 13(1) beginning on 1 January 2013 for a maximum number of 900 million allowances. Where the Commission proposes to withhold a number of allowances it has to be ensured that those allowances are re-introduced in a linear manner. The Commission shall make no more than one such adaptation.**

Or. en

Amendment 36

Jolanta Emilia Hibner, Bogusław Sonik, Tadeusz Cymański, Filip Kaczmarek

Proposal for a decision

Article 1 – paragraph 1

Directive 2003/87/EC

Article 10 – paragraph 4 – subparagraph 1

Text proposed by the Commission

The Commission **shall, where appropriate, adapt** the timetable for **each** period so as to ensure an orderly functioning of the market.

Amendment

The Commission **may, in exceptional circumstances, propose to adjust** the timetable for **the period referred to in Article 13(1) beginning on 1 January 2013** so as to ensure an orderly functioning of the market. **The Commission shall propose no more than one such adaptation.**

In order to ensure the predictability of the auctions, in particular as regards the estimated volumes of allowances in accordance to Article 10(4) any modification, including reduction of the

volume or part of the volume of allowances to be auctioned is strictly prohibited.

Or. en

Justification

In order to guarantee the certainty of the legal framework and predictability of the auctions as well as to ensure investors' confidence in the market-based functioning of the EU ETS, in particular the volumes of allowances available to be auctioned any modification of volume or part of the volume of allowances to be auctioned should be strictly prohibited. Any intervention as far as the timetable is concerned should only be "technical" in nature.

Amendment 37
Oreste Rossi

Proposal for a decision

Article 1 – paragraph 1

Directive 2003/87/EC

Article 10 – paragraph 4 – subparagraph 1

Text proposed by the Commission

The Commission shall, where appropriate, adapt the timetable for each period so as to ensure an orderly functioning of the market.

Amendment

Should exceptional circumstances require one single intervention on the auctioning timetable over the whole third period of EU-ETS, Member States shall immediately adopt financial measures to offset the short and medium-term indirect costs on carbon leakage-sectors passed-through in electricity prices, derived from such an intervention. Such financial measures must be in accordance with state aid rules in this area.

Or. en

Justification

It has been estimated (Reuters Point Carbon, 14/11/12) that a backloading would generate a rise in electricity bills for biggest European energy users by over € 1.2 bn. or 3% annually over the next 3 years. It is of utmost importance that any hypothesis of such an extraordinary intervention be duly balanced by appropriate measures, at EU and national level, able to

neutralize the negative impacts on carbon-leakage sectors, which are struggling to remain competitive.

Amendment 38
Elisabetta Gardini

Proposal for a decision
Article 1 – paragraph 1
Directive 2003/87/EC
Article 10 – paragraph 4 – subparagraph 1

Text proposed by the Commission

The Commission shall, where appropriate, adapt the timetable for each period so as to ensure an orderly functioning of the market.

Amendment

Should exceptional circumstances require one single intervention, over the whole third period of EU-ETS, on the auctioning timetable, Member States shall immediately adopt financial measures to offset the short and medium-term indirect costs on carbon leakage-sectors passed through in electricity prices, derived from such an intervention. Such financial measures must be in accordance with state aid rules in this area.

Or. en

Justification

It has already been estimated (Reuters Point Carbon on 14 November 2012) that a backloading would generate a rise in electricity bills for the largest European energy users by over 1.2 billion euros or 3% annually over the next three years. In the current economic downturn in Europe, it is of utmost importance that any hypothesis of backloading of CO2 allowances be duly balanced by appropriate measures able to neutralize the negative impacts on carbon leakage industries.

Amendment 39
Jolanta Emilia Hibner, Bogusław Sonik, Tadeusz Cymański, Filip Kaczmarek

Proposal for a decision
Article 1 – paragraph 1 a (new)
Directive 2003/87/EC
Article 10 – paragraph 4 – subparagraph 1 a (new)

Text proposed by the Commission

Amendment

1a. In Article 10(4), the following subparagraph is inserted:

"In order to ensure the predictability of the auctions, in particular as regards the estimated volumes of allowances in accordance to Article 10(4) any modification, including reduction of the volume or part of the volume of allowances to be auctioned requires unanimity among all Member States."

Or. en

Justification

According to the December 2008 European Council, Member States will determine, in accordance with their respective constitutional and budgetary requirements, the use of revenues generated from the auctioning of allowances in the EU emissions trading system. Therefore any changes in auctioning timetable affecting the Member States revenues generated via auctions should be adopted unanimously by all the Member States.

Amendment 40

Jolanta Emilia Hibner, Bogusław Sonik, Tadeusz Cymański, Filip Kaczmarek

Proposal for a decision

Article 1 – paragraph 1 b (new)

Directive 2003/87/EC

Article 10 – paragraph 4 – subparagraph 1 b (new)

Text proposed by the Commission

Amendment

1b. In Article 10(4), the following subparagraph is inserted:

"Any adaptation should be accompanied by an Impact Assessment on that adaptation's impact on Member States' auctioning revenues.

Where the adaptation referred to in paragraph 1 leads to a decrease in any Member State in the auctioning revenues in 2013 and in each subsequent year up to

2020, the Commission shall propose compensatory measures minimizing the negative impact on Member States' auctioning revenues."

Or. en

Justification

According to Article 10(3) of the ETS Directive part of 50% of revenues generated from the auctioning of allowances should be used to finance actions to mitigate and adapt to climate change in developing countries. In order to enable Member States to fulfil their pledges, and in consequence meet the international expectation as regards EU climate aid any modification to the auction timetable should not lead to reducing the auctioning revenues in any Member State.

Amendment 41

Jolanta Emilia Hibner, Bogusław Sonik, Tadeusz Cymański, Filip Kaczmarek

Proposal for a decision

Article 1 – paragraph 1 c (new)

Directive 2003/87/EC

Article 10 – paragraph 4 – subparagraph 1 c (new)

Text proposed by the Commission

Amendment

1c. In Article 10(4), the following subparagraph is inserted:

" Any adaptation resulting in limiting the volume of allowances to be auctioned in 2013 or in any subsequent year up to 2020, should not apply to the Member States set out in Annex IIA."

Or. en

Justification

In the interests of solidarity and growth in the Community, certain Member States were allocated additional 10 % of the total quantity of allowances, thus increasing the quantity of allowances that those Member States may auction in accordance with the Annex IIA of the ETS Directive. All these countries expect higher implementing costs as regards Climate and Energy package. In order to minimize the impact of any possible changes in the auction timetable Member States set out in Annex IIA should be exempted from participating in any

mechanism limiting the future volume of allowances for auctions.

Amendment 42

Jolanta Emilia Hibner, Bogusław Sonik, Tadeusz Cymański, Filip Kaczmarek

Proposal for a decision

Article 1 – paragraph 1 d (new)

Directive 2003/87/EC

Article 10 – paragraph 4 – subparagraph 1 d (new)

Text proposed by the Commission

Amendment

1d. In Article 10(4), the following subparagraph is inserted:

"Any adaptation resulting in limiting the volume of allowances to be auctioned in 2013 or in any subsequent year up to 2020, should not apply to the Member States set out in Annex IIB."

Or. en

Justification

Member States which had achieved in 2005 a reduction of at least 20 % in greenhouse gas emissions compared with the reference year set by the Kyoto Protocol were allocated additional 2 % of the total quantity of the allowances to be auctioned. Additional part of auction allowances was to compensate those Member States costs as regards huge emissions reduction in previous years. In order to minimize the impact of any possible changes in the auction timetable Member States set out in Annex IIB should be exempted from participating in any mechanism limiting the future volume of allowances for auctions.