AMENDMENTS

2 - 30

Draft report
Sunčana Glavak
(PE703.136v01-00)

Amending Directive 2003/87/EC as regards the notification of offsetting in respect of a global market-based measure for aircraft operators based in the Union

Proposal for a decision
Amendment 2
Anna Zalewska

Draft legislative resolution
Citation 2

Draft legislative resolution
— 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 (C9-0323/2021),

Amendment
— having regard to Article 294(3) and Article 192(2) of the Treaty on the Functioning of the European Union, pursuant to which the Commission submitted the proposal to Parliament (C9-0323/2021),

Or. en

Amendment 3
Anna Zalewska

Proposal for a decision
Citation 1

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

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

Or. en

Justification

Article 192 par. 2 TFEU is better suited to be the legal basis of this document, as the EU ETS entails provisions primarily of a fiscal nature. It would also require unanimity in the Council.

Amendment 4
Silvia Modig

Proposal for a decision
Recital -1 (new)

Text proposed by the Commission

Amendment
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")\(^1\). The Parties to the Paris Agreement 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 equity and the principle of common but differentiated responsibilities and respective capabilities, in the light of different national circumstances. In order to achieve the objectives of the Paris Agreement, all sectors of the economy need to contribute to achieving emission reductions, including international aviation. However, current measures to reduce emissions from international aviation have been inadequate and lacked environmental integrity as before the COVID-19 crisis, the International Civil Aviation Organization (ICAO) had estimated that, by 2040, international aviation emissions could rise by up to 150% compared to 2020.


Amendment 5
Silvia Modig
Proposal for a decision
Recital -1a (new)

Text proposed by the Commission

Amendment

(-1a) The urgency of not exceeding the Paris Agreement goal of 1.5 °C has become more significant following the
findings of the Intergovernmental Panel on Climate Change (IPCC) in its reports of 8 October 2018 entitled ‘Global warming of 1.5 °C’ and of 7 August 2021 entitled ‘Climate Change 2021: The Physical Science Basis’. The IPCC concluded that the consequences of climate change are far more destructive if global warming is failed to delimit to 1.5 °C and reaches 2°C. In addition, global temperature will reach or exceed the 1.5 °C mark earlier than previously anticipated, namely averaging over the next 20 years. It also found that unless there are immediate and ambitious reductions in greenhouse gas emissions, it will no longer be possible to limit global warming to close to 1.5 °C or even 2°C.

Amendment 6
Silvia Modig

Proposal for a decision
Recital -1 b (new)

Text proposed by the Commission

(-1b) The need for urgent action is further intensified by the increase in the frequency and intensity of extreme weather conditions as a direct result of climate change. According to the United Nations Office for Disaster Risk Reduction, the number of disasters recorded and the scale of economic losses have nearly doubled in the last 20 years, much of which increase corresponds to the significant rise in the number of climate-related disasters that pose a significant threat to human health. Furthermore, in its resolution 48/13 of 8 October 2021, the UN Human Rights Council recognised right to a safe, clean, healthy and sustainable environment as a
### Amendment 7
Silvia Modig

**Proposal for a decision**
**Recital -1 c (new)**

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
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<tr>
<td>(-1c) In its resolution of 28 November 2019 on the climate and environment emergency[^1d], 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, in particular through a far reaching reform of its agricultural, trade, transport, energy and infrastructure investment policies, 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.</td>
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[^1d]: P9_TA(2019)0078

### Amendment 8
Silvia Modig

**Proposal for a decision**
**Recital -1 d (new)**

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<td>(-1d) By adopting the Glasgow Climate</td>
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Pact in the United Nations Climate Change Conference (COP26) in November 2021, its Parties recognised that limiting the increase in the global average temperature to 1.5 °C above pre-industrial levels would significantly reduce the risks and impacts of climate change, and committed to strengthen their 2030 targets by the end of 2022 to close the ambition gap.

Or. en

Amendment 9
Silvia Modig
Proposal for a decision
Recital -1e (new)

Text proposed by the Commission

Amendment

(-1e) The Union should therefore address this urgency by stepping up its efforts and establishing itself as an international leader in the fight against climate change while reflecting the principles of equity and of common but differentiated responsibilities and respective capabilities, as laid down in Article 2(2) of the Paris Agreement.

Or. en

Amendment 10
Silvia Modig
Proposal for a decision
Recital 1a (new)

Text proposed by the Commission

Amendment

(1a) The Union’s climate and environmental policy should be implemented in line with the principle of a fair and just transition that leaves no one
behind. In addition, pursuant to Article 191(2) of the Treaty on the Functioning of the European Union (TFEU), Union policy on the environment is to aim at a high level of protection taking into account the diversity of situations in the various regions of the Union, and is to be based on the precautionary principle and on the principles that preventive action should be taken, that environmental damage should, as a priority, be rectified at source and that the polluter should pay.

Or. en

Amendment 11
Silvia Modig

Proposal for a decision
Recital 1 b (new)

Text proposed by the Commission Amendment

(1b) In its resolution of 21 October 2021 on the 2021 UN Climate Change Conference in Glasgow, UK (COP26)
, the European Parliament expressed concerns of the slow progress achieved in the ICAO in addressing emissions from international aviation and called on the Commission and the Member States to do their utmost to strengthen the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA) and to support the adoption by the ICAO of a long-term goal to reduce in-sector emissions. The European Parliament also reiterated that in this context the need to regulate the sector under the EU emissions trading system (EU ETS), which could also serve as a role model for the parallel work, supporting the higher global ambition at international level, including in the ICAO. Furthermore, the European Parliament called on the Commission and the Member States to do their utmost to strengthen CORSIA and to
support the adoption by the ICAO of a long-term goal to reduce in-sector emissions while safeguarding the Union’s legislative autonomy in implementing the EU ETS Directive.

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1b P9_TA(2021)0437

Or. en

Amendment 12
Silvia Modig

Proposal for a decision
Recital 1 c (new)

Text proposed by the Commission

(1c) A report, commissioned by the European Commission, of September 2020 entitled ‘Assessment of ICAO’s global market-based measure (CORSIA) pursuant to Article 28b and for studying cost pass-through pursuant to Article 3d of the EU ETS Directive’ by ICF Consulting, Air Transportation Analytics, New Climate Institute, Cambridge Econometrics, HFW and Sven Starckx highlighted the severe shortcomings of ICAO’s CORSIA scheme. The report stated that there are a number of features of CORSIA which imply its level of ambition for the international aviation sector is misaligned with, and weaker than the global level of ambition required to keep within the temperature goals of the Paris Agreement. According to the report, leaving all international aviation outside the scope of the EU ETS would risk undermining these objectives and weakening current EU climate policies. In addition, the report found that there is a risk the CORSIA scheme may only provide a limited climate benefit compared to the case in which international aviation emissions remain
unregulated. Out of all considered policy options in the report, CORSIA foresaw the largest growth to emissions and weakest macroeconomic outcomes, whereas full scope of EU ETS was seen to deliver the biggest climate benefits with relatively low cost impact, while providing positive effects on employment and economy under the parameters used in the study. Furthermore, the report pointed to questionable criteria, low price and oversupply of offsetting credits, lack of participation of high emitting countries and problems in transparency and enforceability. A large body of other reports, academic studies and experts have drawn similar conclusions of the lack effectiveness and integrity of ICAO’s CORSIA scheme.

Amendment 13
Anna Zalewska

Proposal for a decision
Recital 2

Text proposed by the Commission

(2) Subject to the differences between the EU legislation and CORSIA, notified to ICAO following Council Decision (EU) 2018/2027\(^\text{14}\), and the manner in which the European Parliament and Council amend Union legislation, the Union intends to implement CORSIA.

Amendment

(2) Subject to the differences between the EU legislation and the CORSIA scheme adopted by ICAO, notified to ICAO following Council Decision (EU) 2018/2027\(^\text{14}\), and the manner in which the European Parliament and Council amend Union legislation, the Union intends to implement CORSIA through the EU ETS Directive.

\(^{14}\) Council Decision (EU) 2018/2027 of 29 November 2018 on the position to be taken on behalf of the European Union within the International Civil Aviation Organization in respect of the First Edition of the International Standards and Recommended

Amendment 14
Silvia Modig

Proposal for a decision
Recital 4

Text proposed by the Commission

(4) Due to a large decrease in aviation emissions in 2020 as a consequence of the COVID-19 pandemic, the ICAO Council decided in its 220th session in June 2020 that 2019 emissions should be used as baseline for calculating the offsetting by aircraft operators for the years 2021-23.

Amendment

(4) Due to a large decrease in aviation emissions in 2020 as a consequence of the COVID-19 pandemic, the ICAO Council decided in its 220th session in June 2020 that 2019 emissions should be used as baseline for calculating the offsetting by aircraft operators for the years 2021-23. This change further weakened the regulatory effect of CORSIA to reduce greenhouse gas emissions and other atmospheric heating effects of the aviation sector.

Or. en

Amendment 15
Stanislav Polčák

Proposal for a decision
Recital 5

Text proposed by the Commission

(5) Aviation emissions are highly likely to not exceed their collective 2019 levels in 2021. Therefore, aircraft operators’ additional offsetting is expected to be zero for the year 2021.

Amendment

(5) Given that aviation emissions in 2021 did not exceed their 2019 total levels, aircraft operators’ additional offsetting shall be zero for the year 2021.

Or. cs
Amendment 16
Stanislav Polčák

Proposal for a decision
Recital 6

Text proposed by the Commission

(6) Member States should implement CORSIA by notifying aircraft operators based in those Member States of their offsetting in respect of year 2021 by 30 November 2022.

Amendment

(6) (Does not affect English version.)

Or. cs

Amendment 17
Jens Gieseke, Michael Gahler

Proposal for a decision
Recital 6 a (new)

Text proposed by the Commission

(6a) In order to ensure uniform conditions for Union aircraft operators and their competitors from third countries, to avoid carbon leakage and distortion of competition, the allowances to be surrendered under the EU ETS should be adjusted to the proportion of EU ETS-costs on intra-EEA flights allocated to passengers transferring to a final destination outside the Union – and vice versa – thereby minimising the risk of passengers selecting flights to their final destination with a transfer at an airport outside the Union.

Amendment

Or. en

Amendment 18
Anna Zalewska
Proposal for a decision
Recital 7 a (new)

Text proposed by the Commission

(7a) The principles of subsidiarity, proportionality and solidarity apply to the exercise of the Union’s competences, including the Union policy on the environment;

Or. en

Amendment 19
Anna Zalewska

Proposal for a decision
Recital 7 a (new)

Text proposed by the Commission

(7a) The endeavour to reduce greenhouse gas emissions on a global scale and minimise and reverse the negative effects of climate change is a global undertaking, and as such, the Union should encourage international partners to commit to additional actions beyond carbon neutral growth and reduce greenhouse gas emissions in the aviation sector, including through ICAO, namely the Committee on Aviation Environmental Protection (CAEP) and upcoming Assemblies 41 and 42, as well as at the upcoming UNFCCC COP27 and COP28 summits;

Or. en

Amendment 20
Stanislav Polčák

Proposal for a decision
Recital 8
In order to ensure certainty about the level of offsetting in respect of the year 2021, this Decision should be adopted after 1 January 2022 when the total level of emissions for the year 2021 will be known.

Amendment 21
Stanislav Polčák

Proposal for a decision
Recital 9

It is important to ensure legal certainty for national authorities and for aircraft operators as regards CORSIA offsetting for the year 2021 as soon as possible during 2022. Accordingly, this Decision should enter into force without delay.

Amendment 22
Silvia Modig

Proposal for a decision
Recital 9 a (new)

Multilateral cooperation is essential to tackle climate change, especially in sectors like aviation. The Union and its Member States should pursue to promote policy measures within the Union and globally that have the highest environmental integrity and align
the contribution of the aviation sector’s emission reductions adequately to the objectives of the Paris Agreement, while reflecting equity and the principle of common but differentiated responsibilities and respective capabilities, in the light of different national circumstances. Furthermore, the implementation of CORSIA must not undermine the Union’s competence to regulate its share of emissions from aviation in line with the obligations of the Paris Agreement, especially by applying the EU ETS. The aspirational long-term emissions reduction goal of the aviation sector should be reducing CO₂ emissions to zero by 2050.

Amendment 23
Milan Brglez
Proposal for a decision
Recital 9 a (new)

Text proposed by the Commission

Amendment

(9a) Without prejudice to a Directive of the European Parliament and of the Council amending Directive 2003/87/EC as regards aviation’s contribution to the Union’s economy-wide emission reduction target and appropriately implementing a global market-based measure, this Decision is intended to be a temporary measure that only applies pending the entry into force of that Directive.

Amendment 24
Bas Eickhout
Proposal for a decision
Recital 9 a (new)

Text proposed by the Commission

(9a) Without prejudice to a Directive of the European Parliament and of the Council amending Directive 2003/87/EC as regards aviation’s contribution to the Union’s economy-wide emission reduction target and appropriately implementing a global market-based measure, this Decision is intended to be a temporary measure that only applies pending the entry into force of that Directive.

Amendment

Amendment 25
Jens Gieske, Michael Gahler

Proposal for a decision
Article 1 – paragraph -1 (new)
Directive 2003/87/EC
Article 3d – paragraph 2

Present text

-1 In Article 3d, paragraph 2 of Directive 2003/87/EC is replaced by the following:

2. From 1 January 2013, 15 % of allowances shall be auctioned. The Commission shall undertake a study on the ability of the aviation sector to pass on the cost of CO2 to its customers, in relation to the EU ETS and to the global market-based measure developed by the International Civil Aviation Organization (‘ICAO’). The study shall assess the ability of the aviation sector to pass on the cost of required emission units, comparing this to industries and to the power sector, with the intention of making a proposal to increase the percentage of auctioning pursuant to the review referred

Amendment

"2. To avoid carbon leakage and distortion of competition, an adjustment mechanism shall be adopted for the proportion of EU ETS-costs on intra-EEA flights allocated to passengers transferring to a final destination outside the Union and vice versa. This adjustment mechanism shall be calculated per aircraft operator as follows:

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to in Article 28b(2), taking into account the analysis of costs passed on and considering alignment with other sectors and the competitiveness between different modes of transport.

(a) In accordance with Annex IV and by 31 March of each year, aircraft operators operating flights where the Treaty applies, report to the national competent authority and the verifier for every city pair the annual fuel consumption on individual connections and the ratio of the number of passengers with connecting flights into or out of the EEA ("transfer passengers") to the total number of passengers on this connection ("passengers");

(b) The adjustment for each city pair equals: (number of transfer passengers / total number of passengers) x fuel consumption x emission factor;

(c) The cumulative amount of this adjustment mechanism for all city pairs together is deducted from the total amount of verified emissions, of which the corresponding allowances are to be surrendered by the aircraft operator in that same period."

Or. en


Justification

The EU ETS needs an equal treatment of intercontinental transfer passengers, regardless of whether passengers transfer in or outside Europe. This would prevent carbon leakage and would lift the severe distortion of competition between European and non-European airlines. Since the cap remains unaffected even if feeder passengers are treated equally, there is no change to the CO2 reduction targets in the emissions trading system.

Amendment 26
Stanislav Polčák

Proposal for a decision
Article 1 – paragraph 1
Directive 2003/87/EC
Article 12 – paragraph 6 – subparagraph 1 – introductory part

Text proposed by the Commission

6. By 30 November 2022, Member States shall notify aircraft operators that, in respect of the year 2021, they have [zero] offsetting within the meaning of ICAO’s International Standards and Recommended Practices on Environmental Protection for Carbon Offsetting and Reduction Scheme for International Aviation. Member States shall notify aircraft operators that fulfil the following conditions:

Amendment

6. (Does not affect English version.)

Or. cs

Amendment 27
Anna Zalewska

Proposal for a decision
Article 1 – paragraph 1
Directive 2003/87/EC
Article 12 – paragraph 6 – subparagraph 1 – point b

Text proposed by the Commission

(b) they produce annual CO₂ emissions greater than 10 000 tonnes from the use of aircrafts with a maximum certified take-off mass greater than 5 700 kg conducting flights covered by Annex I, other than those departing and arriving in the same Member State (including outermost regions of the same Member State), from 1 January 2019.

Amendment

(b) they produce annual CO₂ emissions greater than 10 000 tonnes from the use of aircrafts with a maximum certified take-off mass greater than 5 700 kg conducting flights covered by Annex I to this Directive and by Article 2(3) and (4) of Commission Delegated Regulation (EU) 2019/1603 1a, other than those departing and arriving in the same Member State (including outermost regions of the same Member State), from 1 January 2019.


Or. en

Justification

This amendment aligns the Commission proposal with International Standards and Recommended Practices for CORSIA and with the scope provided for in the Delegated Regulation on ICAO measures for the monitoring, reporting and verification of aviation emissions.

Amendment 28
Stanislav Polčák

Proposal for a decision
Article 1 – paragraph 1
Directive 2003/87/EC
Article 12 – paragraph 6 – subparagraph 1 – point b

Text proposed by the Commission
(b) they produce annual CO2 emissions greater than 10 000 tonnes from the use of aircrafts with a maximum certified take-off mass greater than 5 700 kg conducting flights covered by Annex I, other than those departing and arriving in the same Member State (including outermost regions of the same Member State), from 1 January 2019.

Amendment
(b) they produce annual CO2 emissions of 10 000 tonnes or more from the use of aircrafts with a maximum certified take-off mass of 5 700 kg or more conducting flights covered by Annex I, other than those departing and arriving in the same Member State (including outermost regions of the same Member State), from 1 January 2019.

Or. cs

Amendment 29
Stanislav Polčák

Proposal for a decision
Article 1 – paragraph 1
Directive 2003/87/EC
Article 12 – paragraph 6 – subparagraph 2 – point i
Text proposed by the Commission

(i) **state** flights;

Amendment

(i) flights **operated by state aircraft**

(for military, police or customs purposes);

Or. cs

Amendment 30
Stanislav Polčák

Proposal for a decision
Article 1 – paragraph 1
Directive 2003/87/EC
Article 12 – paragraph 6 – subparagraph 2 – point iv

Text proposed by the Commission

(iv) **military** flights;

Amendment

deleted

Or. cs